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5 March 2018**

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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Monday 5 March 2018

HER MAJESTY'S GOVERNMENT

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OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-SEVENTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 13 JUNE 2017]

SIXTY-SEVENTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES

VOLUME 637

TWELFTH VOLUME OF SESSION 2017-2019

House of Commons

Monday 5 March 2018

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

Cyber-attack Protection

1. **Jim Shannon** (Strangford) (DUP): What recent assessment he has made of the effectiveness of his Department's policies on protecting the UK from cyber-attack. [904151]

The Secretary of State for Defence (Gavin Williamson): We take the cyber-threat very seriously. We are strengthening our defences against increasingly sophisticated attacks. Our approach to cyber-defence includes a wide range of technical, operational and administrative measures, as well as close co-operation with the National Cyber Security Centre. Indeed, this week we are opening a dedicated state-of-the-art cyber-defence school at the Defence Academy in Shrivenham to enhance the cyber-skills of our defence personnel.

Jim Shannon: With the National Cyber Security Centre recording 34 C2 attacks and 762 slightly less serious C3 attacks, will the Secretary of State outline the steps

his Department is taking to shore up our defences as best as humanly possible against an attack that some watchdogs have described as "imminent" in the light of rising Russian aggression?

Gavin Williamson: The hon. Gentleman is absolutely right to highlight this increasing threat, which is why we have set out plans to spend £1.9 billion over a five-year period on making sure that our cyber-defence is right and that we develop the capabilities not just to defend against attacks but to be able to operationalise this ourselves.

Richard Benyon (Newbury) (Con): Britain's forces are a major part of the enhanced forward presence in the Baltic states. At a recent meeting of the NATO Parliamentary Assembly, we heard of some of the malign attacks on those forces, particularly on the German deployment in Lithuania. I am not asking my right hon. Friend to give me any great detail, because that is necessarily secret, but can he assure the House that we are learning from every attack and that we are training people, down to quite a low level, to make sure that our forces are best equipped to deal with this?

Gavin Williamson: That is a very important point, because it is not just about the work that we do centrally; it is about training our forces to best understand the threats to which they will potentially be exposed as they operate in sometimes increasingly hostile fields. We have done that for all troops engaged in NATO operations, and more globally.

Jo Swinson (East Dunbartonshire) (LD): Local authorities can be vulnerable to cyber-attacks. One in four councils, including East Dunbartonshire, have experienced cyber-security incidents, yet many do not even provide mandatory training in cyber-security. What discussions has the Secretary of State had with colleagues in the Ministry of Housing, Communities and Local Government, and indeed with the devolved Administrations, to make sure our local authorities do not become a soft target for cyber-attack?

Gavin Williamson: Part of the reason why we set up the National Cyber Security Centre was to make sure that all elements of government are working together to tackle this issue. I will take up the hon. Lady's point with the Secretary of State for Housing, Communities and Local Government to highlight the threats and challenges that local government faces.

Mr Philip Hollobone (Kettering) (Con): Young men and women traditionally joined Her Majesty's armed forces, in large part, because of the physical challenge and the desire for combat experience. Should we not increasingly be recruiting young men and women because of their digital and IT proficiency, so that we can develop an elite cadre of cyber-specialists?

Gavin Williamson: As we face new challenges, we have to be realistic that we need a whole different range of skills—not just the traditional skills that have been the backbone of our armed forces, but new skills—and we are looking at how we can best recruit those skills into our armed forces, and not just into the regulars but also into the reserves to boot.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Surely the Secretary of State knows that what Mr Putin announced a few days ago is basically a new cold war, and it is not just cyber-warfare but every kind of warfare. At a time when Europe seems to be fragmenting, our commitment to NATO is deeply hurt by Donald Trump moving into a new phase of withdrawal. What are we going to do about all this?

Gavin Williamson: Putin has made it quite clear that he has hostile intent towards this country, and we have been seeing the build-up of his forces across the eastern front. Given what they have been doing over many years, we have to wake up to that threat and respond to it. Not just through nuclear weapons—although our continuous at-sea nuclear deterrent is absolutely integral to maintaining the peace—but through conventional armed forces, we have to match what Putin is doing with his Russian forces. We have to be aware of the challenges we face, which is very much why we are engaging in the modernising defence programme to ensure that we can match the Russians.

Defence Co-operation

2. **Ross Thomson (Aberdeen South) (Con):** What recent discussions he has had with his counterpart in the US Administration on strengthening defence co-operation. [904152]

7. **Michael Fabricant (Lichfield) (Con):** What recent discussions he has had with his counterpart in the US Administration on strengthening defence co-operation; and if he will make a statement. [904157]

The Secretary of State for Defence (Gavin Williamson): The US and UK enjoy a strategic global partnership, which was forged through shared values and the belief in freedom and the rule of law and order, and reinforced by mutual history, partnership and military co-operation. UK-US defence co-operation is today the broadest, deepest and most advanced of any two countries. Our collaboration extends across the full spectrum of defence,

including operations and flagship capability programmes. Our troops have fought alongside each other for more than 100 years, and 2018 will be another busy year.

Ross Thomson: I thank my right hon. Friend for his answer. Currently, the UK's defence trade partnership with the US is worth more than \$3 billion and includes collaboration on projects such as the F-35 programme, as well as a common compartment for UK-US ballistic missile submarines. Does he agree that with the UK regaining its ability to strike free trade deals across the globe post Brexit, we have the opportunity to deepen the bonds of our special relationship with the US when it comes to our national defence interests?

Gavin Williamson: We are already one of the world-leading countries in defence exports, and we have to seize the opportunity that exiting the European Union provides to expand our ability to export right around the world, making sure it is absolutely clear that Britain is a world leader in technology and science. So much of what we have historically done with the US we can do more and more right around the globe.

Michael Fabricant: May I implore my right hon. Friend not to listen to the Trump-bashing from Opposition Members? There is absolutely no indication that President Trump is attenuating his commitment to NATO. Furthermore, NATO, not the European Union, is the backbone of this nation's defence, and my right hon. Friend should be—I know that he is—going out there to Washington and speaking to his counterparts. Will he talk about precisely what he has achieved? *[Interruption.]* Sorry about that.

Gavin Williamson: I thought my hon. Friend was incredibly eloquent.

Let us be clear that there is one reason why we have had peace right across the continent of Europe since the second world war: NATO, and the fact that it has acted as a deterrent to those who wish to prosecute aggressive campaigns against the west. I am very proud of the work that has been done, and will be done in the future, with our allies.

David Hanson (Delyn) (Lab): Will the Secretary of State tell me what the pound-dollar rate was at the time of the commissioning of the F-35 programme, what it is now and how much extra taxpayers' money is being paid as a result?

Gavin Williamson: I am afraid I not have details of the exchange rates with me, but I will write to the right hon. Gentleman with them. I can tell him that exchange rate changes over the past few years have cost us about a quarter of a billion pounds extra for the defence budget, as a result of the movement of the pound.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): The US nuclear posture review was met with an equal level of posturing by President Putin during his state of the nation speech last Thursday. What is the British Government's policy response to these worrying developments, as the world slides needlessly into a second cold war? Does the Secretary of State believe the British Government have a role to play in trying to de-escalate the situation?

Gavin Williamson: Let us be really clear: President Putin has been developing a much more hostile and aggressive posture towards the UK, the US and our allies for an awful lot longer than the past 12 months. Russia wants to assert its rights. We have seen increased Russian activity in the north Atlantic—a tenfold increase over the past few years. Do we sit submissively by and just accept that President Putin can do whatever he wishes to do? Or do we have to look at how we respond, making it clear that we are willing to stand up to bullying and the fact that nations are being subjected to attacks by Russia? We need to deal with that, and that is what we will do. That is why I am proud that we have the continuous at-sea nuclear deterrent.

Jeremy Quin (Horsham) (Con): Will my right hon. Friend inform the House about what discussions he has with his US counterpart, so that we can work together to ensure that our other NATO allies pay the 2% of GDP that they should be paying towards our collective defence?

Gavin Williamson: In this country, I am very proud that we are able to say that we spend 2% of GDP on defence. But we cannot outsource Europe's defence to the United States: every European country has to play its part in defending Europe. That means spending the money required to defend the borders of western Europe.

Stewart Malcolm McDonald (Glasgow South) (SNP): I begin by paying tribute to the members of the armed forces who helped their country get moving, inasmuch as it could, over the past week.

How confident can the Secretary of State, his US counterpart or indeed any NATO counterpart be that we can bring to the table what we say we can bring, given that there is a £20 billion funding gap in his Department's equipment plan?

Gavin Williamson: We are looking at exactly what resources and everything else we need going forward. We carry considerable contingencies in our equipment plan, and we are very confident that we will be able to deliver everything we need for our armed forces.

Stewart Malcolm McDonald: I am afraid that that is a bit of a "head still in the sand" answer. The National Audit Office said that projects will have to be delayed, scaled back or cancelled. Will the Secretary of State ensure that no project in Scotland will be delayed, scaled back or cancelled?

Gavin Williamson: I am sure the hon. Gentleman is aware that we are doing the modernising defence programme. He will also be pleased to hear that we will open up our public consultation as part of that programme. We are going to be looking at all we do—how best we can use our armed forces to deliver for the whole United Kingdom, and how to make sure that we are best protected against the threats from abroad. I look forward to the hon. Gentleman's contribution to that.

Royal Navy: Fleet Size

3. **Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op):** What recent assessment he has made of the adequacy of the size of the Royal Navy fleet.

[904153]

The Minister for the Armed Forces (Mark Lancaster): The Royal Navy is growing for the first time in a generation, with the Queen Elizabeth class aircraft carriers and new submarines, frigates, patrol vessels and aircraft. The Royal Navy continues to meet the demands we place on it and maintains its operational edge.

Luke Pollard: With the sale of HMS Ocean, Devonport and the nation have lost a third of our Royal Navy amphibious assault ships. In more and more uncertain times, can the Minister reassure people in Plymouth that Devonport will not see any more cuts to frigates, amphibious assault ships and survey ships such as HMS Scott in the upcoming review?

Mark Lancaster: I certainly take this opportunity to underline our thanks to the people of Plymouth for their age-old commitment to and support for the Royal Navy. I absolutely assure the hon. Gentleman that Devonport will continue to be one of the cornerstone bases of the Royal Navy in future. As he will be aware, we only recently allocated the location of the Type 23 frigates. We are doing more work on the location of the Type 26 frigates, and we hope to be able to announce that shortly.

Richard Drax (South Dorset) (Con): I must declare an interest, Mr Speaker: my grandfather and father both served in the Royal Navy, and both would be turning in their graves at the size of the Royal Navy. Although I quite accept the financial difficulty that the Minister has, does he accept from me that the threats from around the world—not least from China, which is talked about too seldom—are growing? We are sending one ship, I think, across the waters to the south of China. I ask the Minister, please, for an assurance that the Royal Navy's size and capability will be increased.

Mark Lancaster: My hon. Friend will be aware of the recent deployment of HMS Sutherland, and there will be further such deployments in future to that part of the world.

For the first time in a generation, the Royal Navy is actually growing. It grew in manpower last year and will continue to grow over the next couple of years, and not just in manpower—the size of its surface fleet is also growing. The latest of the offshore patrol vessels arrived in Portsmouth only this weekend.

John Woodcock (Barrow and Furness) (Lab/Co-op): Given everything that the Minister's boss has just said about the importance of NATO, the deterrent and the threat from Russia, it would be absolutely unthinkable, would it not, not to order the full quota of seven Astute class submarines?

Mark Lancaster: The hon. Gentleman is a champion of his constituency and repeatedly comes to the House to support the work that his constituents have done for generations in building our submarines. I am very confident that shortly he will have the news that he wishes for.

Alex Chalk (Cheltenham) (Con): When HMS Queen Elizabeth puts to sea, it will need a fleet of frigates and destroyers to escort and protect it. Will my right hon.

Friend reassure the House that the Royal Navy has sufficient vessels to perform that vital task while protecting our shores at home?

Mark Lancaster: Yes, indeed, I can reassure my hon. Friend that the Royal Navy continues to meet all its operational requirements. As I said a few moments ago, the size of our fleet will increase in the years to come.

Wayne David (Caerphilly) (Lab): The Minister will be aware that the National Audit Office has produced a scathing report on the Ministry of Defence's equipment plan for 2017 to 2027. It says that there is a £20.8 billion gaping black hole in the MOD's budget. Can the Minister tell me why the Type 31e frigate is not even referred to in the equipment plan?

Mark Lancaster: It is a little bit rich when the hon. Gentleman comes to the Dispatch Box to criticise this Government over supposed black holes in defence spending, given the previous Labour Government's record in this area, but I am sure the Defence Procurement Minister, my hon. Friend the Member for Aberconwy (Guto Bebb), will write to him to explain why that is the case.

Defence Suppliers: Innovation

4. **Maggie Throup** (Erewash) (Con): What steps he is taking to encourage innovation by defence suppliers. [904154]

11. **Luke Hall** (Thornbury and Yate) (Con): What steps he is taking to encourage innovation by defence suppliers. [904162]

20. **Vicky Ford** (Chelmsford) (Con): What steps he is taking to encourage innovation by defence suppliers. [904172]

The Parliamentary Under-Secretary of State for Defence (Guto Bebb): With an equipment plan worth £180 billion over 10 years, a rising defence budget and an £800 million innovation fund, there are great opportunities for innovative suppliers to work with the Ministry of Defence. The Department recently took part in a Pitch@Palace event, reaching out to defence sector entrepreneurs, and the open call for innovation has been changed to increase opportunities to work with the Government.

Maggie Throup: Baltex, which is based in my constituency, is a leading supplier of high-performance fabrics, meshes and nets that are designed to keep our service personnel safe and well-protected in the field. What is my hon. Friend doing to support businesses in the defence supply chain that manufacture technical textiles, and will he and the Secretary of State consider visiting Baltex to see the innovative work that is being carried out in Erewash in support of our armed forces?

Guto Bebb: I thank my hon. Friend for her question. Indeed, I would like to take her up on her kind offer of a visit to Baltex, which is an important provider of services to the Ministry of Defence. It is a classic example of a company that is generating key supplies for the Ministry of Defence and for our armed services, and it is being innovative in the way that it does that. Indeed, we see that innovation across the board with

Ministry of Defence contractors—they are innovative for the UK economy in addition to supplying our armed forces.

Luke Hall: Does the Minister agree that the launch of the RAF's first satellite, Carbonite-2, using British technology, is to be welcomed, and can he update the House on whether space technology will be part of the combat air strategy?

Guto Bebb: I thank my hon. Friend for that question. I am very disappointed not to have been able to visit Surrey Satellite Technology, which developed that facility. Unfortunately, my visit did not take place last Thursday owing to the weather.

This is a significant development. From my perspective, it is an example of innovative thinking being developed by the MOD and the Air Force. Even more importantly, it was a concept only 10 months ago and it has now been procured. Obviously, as part of our combat air strategy, the way in which we interlink with satellite technology will be a key consideration for the Ministry of Defence.

Vicky Ford: The Minister's predecessor recently paid a very welcome visit to BAE in Chelmsford, which has played a critical role in developing Britain's radar capacity through the generations. Does the Minister agree that, when it comes to the next generation of ballistic missile defence radar, it is vital to maintain British capacity and make sure that these skills stay in Britain?

Guto Bebb: I thank my hon. Friend for her question and pay tribute to BAE for the work that is being done in her constituency. She is absolutely right to highlight the importance of keeping skills in the United Kingdom. Members from all parts of the House should be proud that the Ministry of Defence is responsible for more than 20,000 apprenticeship opportunities throughout the United Kingdom, as it highlights again that Ministry of Defence procurement leads to high-quality, skilled jobs in all parts of the UK, including Chelmsford.

Mrs Madeleine Moon (Bridgend) (Lab): What impact does the Minister see coming from his attempts to increase innovation in defence suppliers if the UK withdraws from REACH, the European regulation on the registration, evaluation, authorisation and restriction of chemicals, and if the free movement of scientists and engineers is not part of the Brexit agreement? Certainly, defence companies have expressed grave concerns to me about that.

Guto Bebb: This Government want to continue the free movement of people with relevant skills. The MOD is already engaging with the REACH issue. As it happens, I will be meeting relevant companies tomorrow to discuss the matter. I fully understand the hon. Lady's concerns, but the MOD is on top of the issue and is looking at it closely. I am confident that we will have an agreement that will benefit both the United Kingdom and our European Union partners.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): BCB International is a fantastic and innovative defence company, also supplying the civilian and humanitarian sectors, based in my constituency and in

that of my hon. Friend the Member for Llanelli (Nia Griffith). Indeed, I have eaten ration packs cooked on its fantastic FireDragon fuel. The company needs support from all Departments to be able to export effectively. Will the Minister commit to speaking with his colleagues at the Department for Transport, and perhaps to meeting me, to ensure that it gets support from the whole Government to be able to export to other markets, including the United States?

Guto Bebb: I would be more than delighted to meet the hon. Gentleman to discuss the issue in more detail. I was very pleased to visit the company in question in my previous position as a Wales Office Minister, and it is difficult not to be impressed by what it provides for our armed services. I am more than happy to take any opportunity to support the company and Welsh businesses.

Gavin Robinson (Belfast East) (DUP): The portfolio management agreement that the Ministry of Defence struck with MBDA offers the framework through which we can achieve innovation with defence suppliers. Is the Minister considering agreeing more portfolio agreements, and does he envisage that that will be any time soon?

Guto Bebb: The hon. Gentleman makes a very important point. One of the first meetings that I had in my new position was with MBDA. Indeed, I also met its chief executive in Paris recently. The agreement is an example of what can be done to embed innovation in the way in which we do procurement. It shows support for UK-based companies and a degree of partnership between the MOD and the companies in question.

Robert Courts (Witney) (Con): May I also welcome the combat air strategy? Will the Minister please give a commitment that the review will look not only to ensure that the RAF has the aircraft that it needs to fight the conflicts of the future, but at how British industry will deliver them?

Guto Bebb: My hon. Friend is a great champion for the RAF and for his constituency. I believe that he called for the combat air strategy before the announcement was made by my right hon. Friend the Secretary of State. This is indeed about capability, but it is also about embedding the ability of UK industry to respond to the needs of the 21st century, and the combat air strategy will do just that.

Nia Griffith (Llanelli) (Lab): There is crippling uncertainty about the customs arrangements that our defence suppliers will face after Brexit. This is threatening their ability to innovate and invest. Just today, Airbus, the RAF's biggest supplier of large aircraft, has warned that trade barriers will seriously impede its ability to move parts across borders. It is clear that only a comprehensive customs union with the EU can guarantee frictionless trade, so will the Minister explain why the Government have ruled out this option?

Guto Bebb: The Government have been very clear that we want the most comprehensive free trade agreements possible with the European Union. A free trade agreement of that nature will respond to the concerns of industry, especially the industry supplying the defence sector.

Nia Griffith: The fact of the matter is that ADS, the trade body, has said that the Government's preferred options are either incomplete or so complex that they simply will not be viable. Why will this Government not listen to the voices of industry such as ADS and the CBI? Why are they ignoring those voices and their support for a customs union? Is it not the case that the Government are putting ideology above the interests of defence suppliers and pursuing an extreme Brexit that will damage jobs, our sovereign capability and, ultimately, our national security?

Guto Bebb: I find it interesting that only a few weeks ago the hon. Lady was voting against a proposition from her own Back Benchers for the United Kingdom to stay within the customs union. It is also the case that the announcement made by the Leader of the Opposition was about staying within a customs union, not the customs union; in terms of listening to the voice of industry, there is not much in common between what was said by the Leader of the Opposition and the CBI.

Strategic Threats

Q5. Tony Lloyd (Rochdale) (Lab): What recent assessment he has made of the preparedness of the armed forces to adapt to new and changing strategic threats. [904155]

The Secretary of State for Defence (Gavin Williamson): Our armed forces are among the very best in the world. Through the modernising defence programme, we will assess the ever-changing threats that this country faces and understand what we can do to make them ever more effective at keeping us safe today and into the future.

Tony Lloyd: The Defence Secretary will recognise, given his earlier answers, that the threats that we face—both conventional and from new forms of technology—are massive and varied, and come not simply from Russia, but from many different sources. In that context, he talks about a fiscally non-neutral defence review. Will he tell us whether the Chancellor has agreed to sign up to that process?

Gavin Williamson: When the Prime Minister, the Chancellor and I met and agreed the terms of reference of the modernising defence programme, we were absolutely clear that it was not to be fiscally neutral. We were to understand what the threats were and understand the capabilities that were needed, and make sure that the Ministry of Defence leads a study to ensure that we are best equipped to deal with those threats.

Bob Blackman (Harrow East) (Con): Will my right hon. Friend update the House on what progress has been made on the modernising defence review, so that we can implement what is needed to ensure the defence of the realm?

Gavin Williamson: I assure my hon. Friend that we are making good progress. As I said earlier, we are opening this up to public consultation. We are very eager to report back to the House as quickly as possible, and we hope that that can be done by June or July, before the NATO summit.

Nia Griffith: We have seen in this past week how our armed forces rise to the challenge in any weather, but despite our increased commitment to the Baltic states, cuts to training have left the Royal Marines with fewer opportunities to develop their cold weather warfare skills. In January, the Minister for the Armed Forces said of cuts to training exercises in Norway:

“I am confident that that was a one-off in-year saving.”

Can the Secretary of State confirm that training will return to normal levels this year?

Gavin Williamson: We have already had 500 Royal Marines training out in Norway this year, and we look forward to continuing that collaboration going forward. It is absolutely right to say that our armed forces are always ready to serve, and when things are difficult, it is our armed forces who always step up to the plate.

Defence Co-operation

6. **Julia Lopez** (Hornchurch and Upminster) (Con): What recent discussions he has had with his European and US counterparts on maintaining defence co-operation between the EU and NATO. [904156]

The Secretary of State for Defence (Gavin Williamson): I was trying to offload various questions on to my ministerial colleagues, Mr Speaker. Sadly, they were not willing to take them. [Interruption.] God loves a trier.

I have regular conversations with my European and US counterparts on maintaining defence co-operation between the European Union and NATO. EU-NATO co-operation is key to combating the breadth of challenges we face, and the institutions must work together in a way that is complementary and prevents duplication. The UK will continue to support better working between the EU and NATO while we remain in the EU and after we leave.

Julia Lopez: I thank the Secretary of State for taking my question. Following the recent signing of the permanent structured co-operation pact between 25 EU nations, what role does he envisage for the UK after Brexit in ensuring that the EU's future defence co-operation plans enhance NATO rather than detract from it?

Gavin Williamson: There have always been traditional tensions within the European Union as to which way it would like to take its role in defence. We want to work with our European Union partners. We must not forget, however, that 80% of NATO's defence is provided by countries outside the European Union. We should not see leaving the European Union as a step towards making the continent of Europe less safe. Indeed, it is fair to say that in the decades before the European Union was invented, NATO was already keeping the continent safe, incredibly successfully. We want to have the opportunity to work closely with our European Union partners, but equally we want to make sure that that does not detract from the amazing work that NATO does.

Martin Whitfield (East Lothian) (Lab): The European Defence Agency does not envisage third-party countries joining, so is that one of the agencies that the Government will be seeking an administrative arrangement with?

Gavin Williamson: We are very happy to discuss how best we can work with our European partners, but we do not want to do anything that diminishes what we agreed to on 23 June 2016, which is exiting the European Union. If we can work in a pragmatic way with European partners, that is good, but let us not forget that most of what we do in, say, equipment programmes is done through bilateral relationships, not through the European Union.

Armed Forces Covenant

8. **Tom Pursglove** (Corby) (Con): What steps he is taking to encourage more organisations to participate in the armed forces covenant. [904159]

The Parliamentary Under-Secretary of State for Defence (Mr Tobias Ellwood): The armed forces covenant annual report was published in December 2017. I am pleased to say that more than 2,000 organisations and companies are now signed up. The new cross-Whitehall body, the veterans board, chaired by the Defence Secretary, is used to ensure that all Departments meet their covenant commitments.

Tom Pursglove: I am very grateful to my right hon. Friend for that answer. What conversations has he had with colleagues in the Ministry of Housing, Communities and Local Government about ensuring that there is better understanding in local government of their duties and obligations and what they need to be doing under the covenant?

Mr Ellwood: My hon. Friend raises an important point. It is important that each Department understands its commitments. That is why I stressed the importance of the veterans board, on which the Secretaries of State of all the Departments are represented. We now have proper assessment techniques to make sure that Departments' commitments—in that case, to do with housing—are met.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Members across the House and people across the country were horrified to read last week that the Ministry of Defence had taken money raised from the LIBOR funds that was supposed to benefit forces charities and support the delivery of the armed forces covenant, and instead spent it on projects—although worthy ones—that should be part of routine departmental spending. We know that things are bad in the MOD, but it can hardly consider itself a charity. Can the Minister tell the House how that was allowed to happen? More importantly, will the Ministry be paying the money back?

Mr Ellwood: I also saw those comments in the press. It is important to understand that LIBOR grants are there for additional facilities. The MOD has a responsibility to provide core activities. Obviously, there is a grey area between a core activity and an additional facility. I am more than happy to look at the details of what the hon. Gentleman raises, and I will write to him.

Conditions of Service

9. **Sir Robert Syms** (Poole) (Con): What plans he has to introduce greater flexibility in the conditions of service for the armed forces. [904160]

17. **Kirstene Hair** (Angus) (Con): What plans he has to introduce greater flexibility in the conditions of service for the armed forces. [904168]

The Parliamentary Under-Secretary of State for Defence (Mr Tobias Ellwood): Members will recall that the Armed Forces (Flexible Working) Bill passed its Third Reading on 29 January 2018 and has now received Royal Assent. It will allow Regular armed forces personnel to work part time for a temporary period, subject to the operational capability of the applicant's unit.

Sir Robert Syms: I thank the Minister for his reply. To recruit and retain people in the armed services these days, it is important to have more flexible terms and conditions. How rapidly does he think that will happen? Will it be implemented now or in two or three months?

Mr Ellwood: I am grateful for my hon. Friend's question. It is important to recognise that we need to reflect the needs and aspirations of civilian society. Flexible capability has already been introduced, and the process is ongoing. The Bill has received Royal Assent, as I mentioned, and will come into force in April 2019.

Kirstene Hair: It is extremely important that we continue to make careers in the armed forces desirable through measures such as flexible working. However, in Scotland, due to the SNP Government, personnel will be paying higher taxes than their colleagues south of the border. Will my right hon. Friend do all he can to clear up the ill-thought-out mess that the SNP has created?

Mr Ellwood: I am not sure there is much more to add than "ill-thought-out mess".

Melanie Onn (Great Grimsby) (Lab): On the conditions of service, it is also right that servicemen and women who become unfit for duty should have a system that supports them that is fit for purpose. We know that currently, it is not. The Minister said that his Department would publish a response to the February 2017 review of the armed forces compensation scheme a year after publication. Where is it?

Mr Ellwood: I will certainly write to the hon. Lady with the details of that. She is absolutely right; we want to see people recuperate, recover and get back on to the frontline. One of the big changes last year was our mental health and wellbeing strategy, which does exactly that—it removes the stigma that sometimes is attached to people coming forward, to make it clear when there is an issue that needs to be dealt with, so that they can get back on to the frontline. I will write to her.

Nick Thomas-Symonds (Torfaen) (Lab): Many constituents who have given outstanding service to our country have come to me with mental health problems. How can we ensure that the conditions of service also include post-service follow-up, to give these people the care they need?

Mr Ellwood: That leads on nicely from the answer that I just gave. The mental health strategy was brought in. This was not working well before, and people were reluctant to come forward. We now have 11 major

departments across Britain established in the main hubs of where our armed forces are based that are designed to assist people in stepping forward and dealing with mental health issues. We should also recognise that the armed forces 24/7 military mental health helpline, which allows direct access to support 24/7, was launched last week.

NATO Modernisation

10. **Mr Marcus Fysh** (Yeovil) (Con): What recent discussions he has had with his international counterparts on NATO modernisation. [904161]

The Secretary of State for Defence (Gavin Williamson): At last month's NATO defence ministerial, we discussed NATO modernisation. This is a UK priority, and my ambition is for a modern NATO, fit to face the new global challenges and delivering against its commitments. We will take further decisions to modernise the alliance when Defence Ministers next meet in June and at the next NATO summit in Brussels in July.

Mr Fysh: UK defence equipment manufacturers can bolt on to EU defence programmes. For example, with its unmanned systems project with the MOD, Leonardo in Yeovil is well placed to help Leonardo in Italy with its recently awarded EU defence project in multinational unmanned systems integration. Can my right hon. Friend assure us that such co-operation will happen without the UK submitting to EU defence operational and equipment investment governance that may risk undermining NATO?

Gavin Williamson: Yes, I can.

Pay and Retention

12. **Mr Jim Cunningham** (Coventry South) (Lab): What assessment he has made of the effect of the delayed pay increase on retention in the armed forces. [904163]

The Parliamentary Under-Secretary of State for Defence (Mr Tobias Ellwood): Pay rates are recommended by the independent Armed Forces Pay Review Body. We look forward to receiving its next set of recommendations later in the spring. We have made clear to all personnel that in any award, once announced, will be backdated to 1 April 2018.

Mr Cunningham: Is the Minister actually saying that the pay increase for the armed forces has been delayed, and if so, when does he intend to implement it?

Mr Ellwood: As I say, we are waiting for the report to come through. It is unfortunate that we have had to introduce this pay restraint, but we should not lose sight of why pay restraint was introduced in the first place. It was because the previous Government were living beyond their means. [Interruption.] Only with the return to a strong economy can we responsibly increase public sector pay.

Fabian Hamilton (Leeds North East) (Lab): Last week, we saw how our armed forces stepped up to help with the chaos caused by the very challenging weather

conditions. Does the Minister not agree that these brave men and women therefore deserve more than a 1% pay rise—it is, in fact, a real-terms pay cut—and will he make that clear to the pay review body?

Mr Ellwood: It actually works the other way around, but I agree with the hon. Gentleman in that I would like to see an increase of more than 1%. However, I go back to the rather delicate point, which was received with a bit of hostility by Opposition Members, that we cannot lose sight of the fact that they must have a sense of responsibility in making sure we have a strong economy, so that we can increase public sector pay across the board.

If I may, I will just underline the wider point I made last week that without strong defence in this fast-changing and, indeed, dangerous world, a strong economy cannot in fact be guaranteed. That is why I said that 2% of GDP on defence is not enough. Thanks to the efforts of this Defence Secretary, we now have an opportunity to make the case and to put the argument through the defence modernisation programme for the more robust defence posture that will ensure we retain access to the very vital international markets that will help our economy.

NATO Operations: Estonia and Poland

13. **James Cleverly** (Braintree) (Con): What contribution the UK is making to NATO reassurance operations in Estonia and Poland. [904164]

The Minister for the Armed Forces (Mark Lancaster): The UK has a key role in NATO's enhanced forward presence by leading a battlegroup in Estonia and contributing to a US-led battlegroup in Poland. We have deployed about 800 personnel to Estonia and about 150 to Poland. These deployments are but part of our broader commitment to NATO and its assurance measures on the alliance's eastern flank.

James Cleverly: I thank the Minister for that response. Does he agree with me that both our security and our economy rely on the confidence placed in us by our NATO allies that we will, in the event of an article 5 situation, be both ready and willing to support our eastern flank NATO allies?

Mark Lancaster: My hon. Friend makes a very important point. It is absolutely right that hard power is an important part of maintaining our defence and security. Indeed, the vice-chief of the defence staff said the same last week, and he made a strong case for spending more on defence. Our armed forces and our civilians in defence must and do work in partnership with other Departments in international development and, indeed, diplomacy.

Recruitment Partnership Project

14. **Liz Twist** (Blaydon) (Lab): What steps he is taking to monitor the performance of the recruiting partnering project with Capita. [904165]

The Minister for the Armed Forces (Mark Lancaster): I continue to monitor the recruiting partnering project very closely.

Liz Twist: Recruiting people into our armed forces today is more important than ever. The Defence Secretary said recently: "We're working closely with Capita to make the contract work better". Can the Minister give some specific examples of that work? How will he assess whether performance has improved, and in what timeframe?

Mark Lancaster: Defence has been working closely with Capita on a recruitment improvement plan, which is now being implemented. Initial signs are promising. We now expect Capita to deliver on improvements in converting applicants to enlistees. We will monitor progress closely in the coming months, including ensuring that the new defence recruiting system reaches full operating capability as quickly as possible.

23. [904175] **Mr John Baron** (Basildon and Billericay) (Con): Although many of us believe that the Regular Army should be closer to 100,000 in strength, it appears that we are struggling to reach even the reduced figure of 82,000. What more can our Government do to ensure that we increase recruitment, and maintain at those levels, to get closer to 82,000?

Mark Lancaster: There is an awful lot going on at the moment. We are working closely with Capita. It would be wrong to say that there have not been challenges in implementing the defence recruiting system. There is also a change in demographics in the UK. That is why we are working so hard to widen our recruiting base and have set targets to recruit from both the BAME—black, Asian and minority ethnic—and female populations. There has been an increase of some 2.6% over the year, but we must do all we can to continue to ensure that joining the armed forces is an attractive occupation. I am particularly proud that the Army is now the largest employer of apprentices in the UK, which is something that we intend to continue.

Mental Health Support

15. **Damien Moore** (Southport) (Con): What steps he is taking to improve mental health support for members of the armed forces and veterans. [904166]

16. **Mike Wood** (Dudley South) (Con): What steps he is taking to improve mental health support for members of the armed forces and veterans. [904167]

The Parliamentary Under-Secretary of State for Defence (Mr Tobias Ellwood): The Ministry of Defence works with a range of partners to ensure that service personnel and veterans receive the best mental health support possible. There has been a comprehensive overhaul of our approach to mental health, as I mentioned earlier, with our mental health and wellbeing strategy. However, I stress that the number of mental health cases dealt with in the armed forces is smaller than in the general civilian population.

Damien Moore: Does my right hon. Friend agree that organisations such as SSAFA, which runs a weekly support group in my constituency of Southport, play an essential role in providing help and support to veterans, including any mental health support they may need?

Mr Ellwood: There are over 400 military charities that support not just our armed forces and the veterans, but the whole veterans family—the community—and SSAFA is just one of them. It does immensely important work in providing the support that our armed forces and veterans not only deserve, but request.

Mike Wood: Mental health problems place a great strain on relationships, while family breakdown can worsen mental health issues. Will the Minister ensure that mental health support extends to service personnel families, with a particular focus on providing support to keep military families together?

Mr Ellwood: My hon. Friend is absolutely right. It is often not the person themselves who steps forward to recognise there is a mental health concern, but the partner, or the husband or wife, a family member or maybe a comrade in their unit. It is important that we provide the necessary support, which we are doing. It is a very macho environment, and unfortunately there has been a stigma attached to putting one's hand up and saying there is issue, but we are moving forward, not just in society but in the armed forces, in challenging that.

Several hon. Members rose—

Mr Speaker: Order. I am sure the House will want to join me in welcoming the visit of a delegation of distinguished Canadian parliamentarians here in the House today: our very good friends from Canada—thank you—who are accompanied by, among others, the hon. Member for Brigg and Goole (Andrew Percy).

Mr Stephen Hepburn (Jarrow) (Lab): I am dealing with the sad case of a young man in my constituency who was injured out of the Army, but did not get the treatment he needed. Apparently he slipped through the net because of his junior rank. Will the Minister review his systems to make sure that this does not happen in future?

Mr Ellwood: The hon. Gentleman is very pertinent in what he says. We should have a robust system that can ensure that no person is left behind in any way. I would be more than happy to speak to him afterwards to see what more can be done to help that individual.

In the light of who our guests are, may I say thank you to the Canadians? We held a “Five Eyes” conference on mental health and veterans issues last year, where we compared notes from the “Five Eyes” community to improve all our contributions and better support for our armed forces personnel and veterans.

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): Sadly, some veterans return from service with mental health conditions and are faced with a shameful lack of resources to help them transition back into civilian life and find employment. I am very proud that a local Hull charity founded by Paul Matson, Hull 4 Heroes, provides them with that much needed support network and voice. Will the Minister join me in celebrating its work, and will he commit to providing our veterans with all the support for transition they desperately need?

Mr Ellwood: The hon. Lady is absolutely right. Our transition intervention liaison service works specifically to ensure that the needs of individuals are met as they make the transition from being in the armed forces to being a veteran. I join her in paying tribute to that charity. All such charities across the country—some small, some large—do a huge amount of very important work.

Topical Questions

T1. [904176] **Dr Caroline Johnson** (Sleaford and North Hykeham) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Defence (Gavin Williamson): I thank our armed forces for doing an incredible job to support those affected by the recent treacherous weather across the United Kingdom. From Devon to Scotland, 328 service personnel, 124 vehicles and a Chinook helicopter, which is currently operating in Cumbria, have transported staff delivering critical care and services to and from hospitals, delivered medicines to vulnerable people in the community and assisted police in evacuating members of the public stranded in vehicles. My Department and the armed forces stand ready to assist with any further calls for support.

Dr Johnson: I would like to put on record my thanks to the armed forces who came out in Lincolnshire over the past few days to support us.

The physical fitness of our servicemen and servicewomen is extremely important, yet sports facilities at RAF Cranwell, used by the military and local communities alike, are currently in a poor state of repair. I have received correspondence from constituents with particular regard to the lights for the astroturf. Will my right hon. Friend confirm when they will be repaired, and will he ask the Minister responsible for the Defence Infrastructure Organisation to come and see for himself the fitness training and other facilities at RAF Cranwell that require repair?

Several hon. Members rose—

Mr Speaker: Order. I gently remind colleagues that topical questions must be shorter. Forgive me. I am sure it was a very good question, but if people are going to have a script it needs to be much shorter. We have a lot to get through.

Gavin Williamson: I can absolutely promise that the Under-Secretary of State for Defence, my right hon. Friend the Member for Bournemouth East (Mr Ellwood) is going to visit and take part in the assault course. Let me make it clear to *Hansard* that we are talking about my right hon. Friend the Member for Bournemouth East doing the assault course, not the right hon. Member for South Staffordshire (Gavin Williamson).

Mr Speaker: I am sure that is very reassuring to the nation.

T2. [904177] **Tom Brake** (Carshalton and Wallington) (LD): After the Secretary of State's statement that terrorists cannot harm us and his ministry was forced to admit that its drone policy was misleading and erroneously

drafted, will the Secretary of State tell the House whether it is the policy of the UK Government to kill people outside warzones?

Gavin Williamson: Our Department and our armed forces always operate within the letter of UK and international law. Do our armed forces step up to keep our country safe from terrorist threats? Yes they do, and they will continue to do so. I am very proud of the amazing work they do to keep this country safe. I hope the right hon. Gentleman is also proud.

T6. [904181] **David Morris** (Morecambe and Lunesdale) (Con): Will my right hon. Friend congratulate the British Army for all the work it has done, in conjunction with the Malawi Government, to protect elephants in Malawi? The ivory trade has seen a reduction in the number of elephants from 4,000 10 years ago to 2,000 now. Something must be done and thankfully the British Army is helping.

Gavin Williamson: Our armed forces play an incredibly important role in training rangers to stop the vile trade of ivory poaching. I am very pleased that we have been able to extend the scheme and continue the amazing work with Governments across Africa to ensure that majestic animals such as elephants are protected.

T3. [904178] **Wes Streeting** (Ilford North) (Lab): Uniformed cadets, like 241 Squadron air cadets in my constituency, do an amazing job of producing well-rounded, empowered young people. I invite the Minister to look at the funding provided across government to our uniformed cadets, which clearly offer much better value for money than some other Government-funded youth programmes.

The Parliamentary Under-Secretary of State for Defence (Mr Tobias Ellwood): I hope that the hon. Gentleman will join me in paying tribute to the 126,000 cadets that we have in this country. Being a cadet provides a wonderful introduction to our armed forces and what they can do, giving confidence to youngsters. I will certainly look at that individual case. Charities are involved in different ways in supporting our cadets and I am happy to meet the hon. Gentleman afterwards.

T7. [904182] **Michelle Donelan** (Chippenham) (Con): I look forward to hearing the details this week of the new scheme offering £40,000-worth of bursaries to military veterans to retrain as teachers. Does the Minister agree that focusing on priority subjects is another example of how we are trying to plug the STEM skills gap?

Gavin Williamson: We have the most amazing resource in the armed forces—our people—and we want to give them the very best opportunities as they leave the armed forces. The bursary scheme offering up to £40,000 for them to train as teachers is a great opportunity. Our armed forces often have some amazing technical expertise that they will be able to bring straight to schools to benefit future generations.

T4. [904179] **Rachael Maskell** (York Central) (Lab/Co-op): Under “A Better Defence Estate,” the Secretary of State plans to close the state-of-the-art medical facilities in York and the upgraded First Division headquarters. Can he say how much this is costing the taxpayer?

Mr Ellwood: The hon. Lady will be aware that the MOD owns 2% of the land in the United Kingdom. There is a rationalisation programme to make sure that we can provide the housing for the future, and therefore, bases are being closed. Others are being opened and being invested in as well. I am happy to look at the individual case and discuss what can be done for the future.

Mr Speaker: Succinctness personified—I call Sir Desmond Swayne.

T10. [904185] **Sir Desmond Swayne** (New Forest West) (Con): What personnel have been reassigned to recruitment?

The Minister for the Armed Forces (Mark Lancaster): There is a contingency plan, which we are looking at very closely, where we will be moving probably about 150 personnel to act as role models on the frontline for recruiting.

T5. [904180] **Stephen Morgan** (Portsmouth South) (Lab): There is still a great deal of confusion and concern around the future basing arrangements for the Army Reserve. Could the Minister tell us when we might expect more information to be published on this important matter?

Mark Lancaster: One of the complexities of the Reserve estate is that much of it is owned not by the Ministry of Defence, but by the Reserve forces themselves. This is adding some complexity, but we hope to be able to update the House in due course.

Stephen Crabb (Preseli Pembrokeshire) (Con): Does my right hon. Friend agree that the further set of defence commitments reached by the Prime Minister and President Macron at the summit in January represents not just the deepening of this important bilateral relationship, but a strengthening of NATO?

Gavin Williamson: The co-operation that our country has with France is second to none. The Anglo-French summit signposts an important development in that relationship—not just in terms of operations going forward, but about how best we can collaborate in terms of our defence industries.

T8. [904183] **Nick Smith** (Blaenau Gwent) (Lab): How well is the latest Army recruitment campaign going?

Mark Lancaster: As I mentioned earlier, we have seen some improvement in recent weeks. The numbers are increasing and that is a positive sign.

Alan Mak (Havant) (Con): Will my right hon. Friend join me in congratulating Lockheed Martin, which is based in Havant, on having just been awarded the contract to build the new missile defence system for the Type 26 frigate?

The Parliamentary Under-Secretary of State for Defence (Guto Bebb): I am very pleased to join my hon. Friend in congratulating the company. The Type 26 is a fantastic ship for the Navy, and I think the fact that, again, we see UK industry providing components for the Type 26 is

an example of the way in which the Ministry of Defence is contributing to innovation and growth in the UK economy.

Mr Speaker: I call Carol Monaghan—[HON. MEMBERS: “Hear, hear!”] The hon. Lady just did not how popular she was.

T9. [904184] **Carol Monaghan** (Glasgow North West) (SNP): I am enjoying the recognition, Mr Speaker. The National Audit Office has revealed that the cost of the Dreadnought and Astute programmes has now risen by nearly £1 billion. Can the Secretary of State confirm that there will be no further cuts to conventional forces to meet the rising costs of Trident?

Guto Bebb: I can assure the hon. Lady that our at-sea continuous nuclear defence programme is within budget, and there will be no impact on the rest of the defence budget as a result of the work that we are doing in relation to our submarine capability.

Leo Docherty (Aldershot) (Con): Today’s *Daily Telegraph* continues to report grave concerns about the Iraq fatality investigations unit. Will the Minister agree to urgently review the case of Major Robert Campbell and offer reassurance to our service community that the bond of trust between soldiers and the Government remains intact?

Mark Lancaster: My hon. Friend makes a powerful point. This is not about process but about people and the Government’s obligation to look after them, and a balance needs to be struck between supporting our service personnel and veterans and the right of Iraqi families to find out what happened to their loved ones. I should add that an Iraq fatality investigation cannot lead to a criminal conviction, but I will look carefully at what he has said.

Christine Jardine (Edinburgh West) (LD): Can the Minister confirm that Carillion was the largest provider of facilities and management services for the MOD and whether there are any gaps in services at the 360 UK defence sites and establishments it reportedly had contracts for?

Mr Ellwood: Our joint ventures included agreements put forward ahead of time to make sure that if one partner was to step back, the other would continue to work, and that is exactly what has happened right across the MOD.

Jeremy Lefroy (Stafford) (Con): Will my right hon. Friend pay tribute to UK peacekeepers in South Sudan and elsewhere across the world?

Gavin Williamson: I would very much like to pay tribute to the amazing peacekeeping work that our armed forces do in so many areas, South Sudan being a perfect example. It goes to show what an amazing impact our armed forces have in projecting Britain’s influence in all parts of the globe.

Thangam Debbonaire (Bristol West) (Lab): What assessment has the Secretary of State carried out of the preparedness of our armed forces for any expansion in the Syrian war, given the proxy conflict between Russia and America in that zone?

Gavin Williamson: Conservative Members have always recognised the importance of being fully engaged in what is happening in Syria and Iraq, and we will continue to look at that exceptionally closely. I am incredibly honoured that our armed forces are playing a vital role in degrading the Daesh terror cult, and that is what we will continue to do going forward.

Robert Courts (Witney) (Con): What assessment have Ministers made of the contribution of defence to UK plc in protecting the trade that forms such an important part of our economy?

Guto Bebb: My hon. Friend is absolutely right to highlight that issue. The MOD is one of the largest customers of UK plc and supports over 20,000 apprenticeships throughout the UK. It is clear that the MOD contributes significantly to the prosperity agenda across the UK.

Chris Bryant (Rhondda) (Lab): The incidence of traumatic brain injury among the armed forces is much higher than it is even in the general population. How will we make sure that every single member of the armed forces who has such an injury gets the full rehabilitation they require?

Mr Ellwood: The hon. Gentleman is absolutely right. We want to make sure we provide the necessary support to all those affected, although I would question whether the incidence is higher than among the general population. The new process we are putting forward, including the helpline launched last week by the Defence Secretary, will make sure that we can meet our covenant promise.

Mr John Baron (Basildon and Billericay) (Con): Reports suggest that of the near 100,000 who wanted to join the Army last year, only 7,500 actually made it, in part because of time delays. What can be done to streamline the recruitment process?

Mark Lancaster: My hon. Friend makes a valuable point. We have identified as a key problem the time of flight between application and enlisting in the Army. Shortening this period and making sure we get the maximum number of people through the system is the main focus of our work at the moment.

Mr Speaker: For a short single-sentence question without commas or semicolons, I call Chi Onwurah.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): Why has the mechanised infantry vehicle programme not got an acquisitions strategy—never mind that the contract has only three years to go—when it could bring mechanised vehicles back to Newcastle?

Guto Bebb: I can assure the hon. Lady that announcements will be made before the end of the financial year.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): The parents of Corporal Simon Miller are yet to receive justice for their son, one of the Red Caps murdered in Iraq in 2003. I have written to Ministers over many years on this issue. Will the Minister agree to meet me and the Millers to find some justice for their son?

Mark Lancaster: I would be delighted.

Kirsty Blackman (Aberdeen North) (SNP): Will the Minister follow the Scottish Government's lead and commit to lifting the public sector pay cap for armed forces workers?

Gavin Williamson: We are looking at how to reduce the effect of the Scottish Government's nat tax on all our service personnel. Some 70% of service personnel serving in Scotland are seeing their pay reduced because of the Scottish Government's actions; we need to look at how to deal with that.

UK/EU Future Economic Partnership

3.34 pm

The Prime Minister (Mrs Theresa May): With permission, Mr Speaker, I shall make a statement on our future economic partnership with the European Union.

In December, we agreed the key elements of our departure from the EU, and we are turning that agreement into draft legal text. We have made clear our concerns about the first draft that the Commission published last week, but no one should doubt our commitment to the entirety of the joint report. We are close to agreement on the terms of a time-limited implementation period to give Governments, businesses and citizens on both sides time to prepare for our new relationship, and I am confident that we can resolve our remaining differences in the days ahead. Now we must focus on our future relationship: a new relationship that respects the result of the referendum, provides an enduring solution, protects people's jobs and security, is consistent with the kind of country that we want to be, and strengthens our union of nations and people. Those are the five tests for the deal that we will negotiate.

There are also some hard facts for both sides. First, we are leaving the single market. *[Interruption.]* In certain ways, our access to each other's markets will be less than it is now. We need to strike a new balance. However, we will not accept the rights of Canada and the obligations of Norway.

Secondly, even after we have left, EU law and ECJ decisions will continue to affect us. The European Court of Justice determines whether agreements that the EU has struck are legal under the EU's own law. If, as part of our future partnership, Parliament passes a law that is identical to an EU law, it may make sense for our courts to look at the appropriate ECJ judgments so that we both interpret those laws consistently—*[Interruption]*—as they do for the appropriate jurisprudence of other countries' courts. However, the agreement that we reach must respect the sovereignty of both our legal orders. That means that the jurisdiction of the European Court of Justice in the United Kingdom will end. It also means that the ultimate arbiter of disputes about our future partnership cannot be the court of either party.

Thirdly, if we want good access to each other's markets, it has to be on fair terms. As with any trade agreement, we must accept the need for binding commitments, so we may choose to commit some areas of our regulations, such as state aid and competition, to remaining in step with the EU's.

Finally, we must resolve the tensions between some of our objectives. We want the freedom to negotiate trade agreements around the world. We want control of our laws. We also want as frictionless a border as possible with the EU, so that we do not damage the integrated supply chains on which our industries depend, and do not have—*[Interruption.]*

Mr Speaker: Order. A very considerable level of orchestrated heckling is taking place in the House, including heckling from some Members who will doubtless later grin at me and seek to catch my eye. They may find that there is a clash between the two. We should set a good example that will impress our dear and loyal Canadian friends, and indeed, for that matter, the British people. The House can rest assured that I will allow the

maximum possible questioning and scrutiny on this occasion, as I always do, but the Prime Minister is entitled to be heard with courtesy.

The Prime Minister: There are tensions in the EU's position, and some hard facts for it. The Commission has suggested that an "off the shelf" model is the only option available to the UK, but it has also said that in certain areas, none of the EU's third-country agreements would be appropriate; and the agreement envisaged in the European Council's own guidelines would not be delivered by a Canada-style deal. Finally, we need to face the fact that this is a negotiation, and neither side can have exactly what we want. However, I am confident that we can reach agreement, so I am proposing the broadest and deepest possible future economic partnership, covering more sectors and involving fuller co-operation than any previous free trade agreement.

There are five foundations that must underpin our trading relationship: first, reciprocal binding commitments to ensure fair and open competition, so that UK business can compete fairly in EU markets and vice versa; secondly, an independent arbitration mechanism; thirdly, an ongoing dialogue with the EU, including between regulators; fourthly, an arrangement for data protection that goes beyond an adequacy agreement; and, fifthly, free movement will come to an end. But UK and EU citizens will still want to work and study in each other's countries, and we are open to discussions about how to maintain the links between our people.

We then need to tailor this partnership to the needs of our economies, and we should be absolutely clear this is not cherry-picking. Every free trade agreement has varying market access depending on the respective interests of the countries involved. So if this is cherry-picking, then so is every trade arrangement. What matters is that our rights and obligations are held in balance.

On goods, a fundamental principle in our negotiating strategy is that trade at the UK-EU border is as frictionless as possible, with no hard border between Northern Ireland and Ireland. This means no tariffs or quotas, and ensuring that products only need to undergo one series of approvals in one country. To achieve this, we will need a comprehensive system of mutual recognition. That can be delivered through a commitment to ensure that the relevant UK regulatory standards remain as high as the EU's, which, in practice, means that UK and EU regulatory standards will remain substantially similar in future. Our default is that UK law may not necessarily be identical to EU law, but it should achieve the same outcomes. In some cases, Parliament might choose to pass an identical law. If the Parliament of the day decided not to achieve the same outcomes as EU law, it would be in the knowledge that there may be consequences for our market access. And we will need an independent mechanism to oversee these arrangements, which I have been clear cannot be the European Court of Justice.

We also want to explore the terms on which the UK could remain part of EU agencies, such as those critical to the chemicals, medicines and aerospace industries. That would mean abiding by the rules of those agencies and making an appropriate financial contribution, and the UK would also have to respect the remit of the ECJ in that regard. Parliament could decide not to accept these rules, but with consequences for our membership and linked market access rights.

[The Prime Minister]

Lastly, to achieve as frictionless a border as possible and to avoid a hard border between Northern Ireland and Ireland, we also need an agreement on customs. The UK has been clear it is leaving the customs union. The EU has also formed a customs union with some other countries, but those arrangements, if applied to the UK, would mean the EU setting the UK's external tariffs, being able to let other countries sell more into the UK, without making it any easier for us to sell more to them, or the UK signing up to the common commercial policy.

That would not be compatible with a meaningful independent trade policy, and it would mean we had less control than we have now over our trade in the world, so we have set out two potential options for our customs arrangement: a customs partnership where, at the border, the UK would mirror the EU's requirements for imports from the rest of the world for those goods arriving in the UK and intended for the EU, or a highly streamlined customs arrangement, where we would jointly implement a range of measures to minimise frictions, together with specific provisions for Northern Ireland. Both would leave the UK free to determine its own tariffs, which would not be possible in a customs union.

Taken together, the approach we have set out on goods and agencies, and the options for a customs arrangement, provide the basis for a good solution to the very specific challenges for Northern Ireland and Ireland. My commitment to this could not be stronger: we will not go back to a hard border between Northern Ireland and Ireland; nor will we break up the United Kingdom's own common market with a border down the Irish sea. As Prime Minister, I am not going to let our departure from the EU do anything to set back the historic progress made in Northern Ireland; nor will I allow anything that would damage the integrity of our precious Union. The UK and Irish Governments and the European Commission will be working together to ensure we fulfil these commitments.

That approach to trade in goods is important for agriculture, food and drink, but here other considerations apply. We are leaving the common agricultural policy and the common fisheries policy, and will want to take the opportunity to reform our agriculture and fisheries management and regain control of access to our waters. I fully expect that our standards will remain at least as high as the EU's, but it will be particularly important to secure flexibility here to make the most of our withdrawal from the EU for our farmers and exporters. We will also want to continue to work together to manage shared stocks in a sustainable way, and agree reciprocal access to waters and a fairer allocation of fishing opportunities for the UK fishing industry.

On services, we have the opportunity to break new ground with a broader agreement than ever before. For example, broadcasting and financial services have never previously been meaningfully covered in a free trade agreement. We recognise that we cannot have the rights of membership of the single market, such as the country of origin principle or passporting, but we should explore creative options, including mutual recognition, to allow broadcasting across borders. My right hon. Friend the Chancellor will set out more detail on financial services later this week. We will also look to agree an appropriate

labour mobility framework that enables travel to provide services in person, as well as continued mutual recognition of professional qualifications. Finally, our partnership will need to cover agreements in other areas, including energy, transport, digital, civil judicial co-operation, a far-reaching science and innovation pact, and cultural and educational programmes.

We cannot escape the complexity of the task ahead. We must build a new and lasting relationship, while preparing for every scenario, but with pragmatism, and calm and patient discussion. I am confident we can set an example to the world. Yes, there will be ups and downs over the months ahead, but we will not be buffeted by the demands to talk tough or threaten a walk out, and we will not give in to the counsels of despair that this simply cannot be done—for this is in both the UK and EU's interests. As we go forwards, foremost in my mind is the pledge I made on my first day as Prime Minister: to act not in the interests of the privileged few, but in the interests of all our people, and to make Britain a country that works for everyone. My message to our friends in Europe is clear. You asked us to set out what we want in more detail. We have done that. We have shown we understand your principles. We have a shared interest in getting this right, so let us get on with it. I commend this statement to the House.

3.47 pm

Jeremy Corbyn (Islington North) (Lab): I thank the Prime Minister for the advance copy of the statement. Twenty months have passed since the referendum, and a year has passed since article 50 was triggered—20 wasted months in which the arrogance of some in the Cabinet, who said that it would be the easiest deal in history, has turned into debilitating in-fighting. We have seen set-piece speech after set-piece speech, yet the Prime Minister still cannot bring clarity to the negotiations or certainty to British businesses or workers.

The Prime Minister's speech on Friday promised to unite the nation, yet it barely papered over the cracks in her own party. Even her own Minister for the Cabinet Office said that it was only "an ambitious opening bid", so who knows where we will end up? The European Union published a detailed legal document last Wednesday; despite the criticisms rightly made from across the House, where is anything comparable in detail and focus from the UK Government? The reality is that the speech failed to deliver any clear and credible solution to the problems we face. This Government's shambolic approach to Brexit risks taking us down a dangerous road. This Government's reckless strategy is putting our jobs and manufacturing industries at risk.

The Prime Minister's only clear priority seems to be to tie the UK permanently to EU rules that have been used to enforce privatisation and block support for industry. [Interruption.] The Prime Minister now seems to be saying that we will lose some access to European markets and that Britain will be worse off. [Interruption.]

Mr Speaker: Order. I said that the Prime Minister must not be subjected to orchestrated heckling and attempts to shout her down. The same goes for the Leader of the Opposition. Let me give notice now to some of the people who are shouting loudly: if you want to persist in that behaviour, do not be surprised if

you do not catch my eye in the questioning. If you want to be called, behave; if you wish to persist with misbehaviour, frankly, you might as well leave the Chamber now.

Jeremy Corbyn: Thank you, Mr Speaker.

Does the Prime Minister now agree that the Brexit Secretary was wrong when he told the House of Commons in January last year that a Tory Brexit deal will deliver the “exact same benefits” as the single market and the customs union? If so, why has it taken her so long to say so?

In her speech, the Prime Minister said that she wants “good access”. Can she make it clear today whether that means tariff-free access? The Prime Minister said that she wants a “customs arrangement”, but does that cover all sectors of industry or just some? Which will be excluded, and with what consequences in terms of tariffs and other barriers? Does the Prime Minister still think that a good trade deal can easily be reached with the Trump presidency after its unilateral imposition of tariffs on steel and aluminium imports, which follows its disgraceful attack on Bombardier?

It is possible to retain the benefits of the single market and the customs union. The problem is that we have a Prime Minister who is being held hostage by the extremes in her Cabinet who are willing to sacrifice parts of British business and industry and willing to risk a hard border in Northern Ireland to carry on with their ideological crusade to shrink the state, slash investment and bring about an economic race to the bottom.

The Prime Minister said in her speech that, in areas like workers’ rights and the environment,

“we will not engage in a race to the bottom in the standards and protections... There is no... political constituency in the UK which would support this”.

That simply is not true. In the recent past, we have seen the Secretary of State for International Trade write:

“It is intellectually unsustainable to believe that workplace rights should remain untouchable”.

The Leader of the House has said:

“I envisage there being... no regulation whatsoever—no minimum wage, no maternity or paternity rights, no... dismissal rights, no pension rights”.—[*Official Report*, 10 May 2012; Vol. 545, c. 209.]

The Foreign Secretary has described EU-derived employment legislation as “back-breaking”, and in its leaked assessments, the exit analysis from the Department for Exiting the European Union stated that there could be opportunities for the UK in deregulating in areas such as the environment and employment law. There clearly is a political constituency that supports a race to the bottom on workplace rights: it is called the Cabinet.

On the crucial issue of Northern Ireland, the Prime Minister offered no real solution. Instead, she reshaped an already discredited Government idea to use a mix of technology and good will to ensure no hard border—an idea that the Brexit Secretary has already conceded is mere “blue-sky thinking”. Does the Prime Minister not understand that this is not just about cross-border paperwork and trade? There is also the issue of maintaining the social peace that has endured for 20 years. Will she condemn the ridiculous remarks made by the Foreign Secretary last week, when he not only compared the Irish

border to that of Camden and Islington, but wrote her a letter saying it was not the British Government’s responsibility to prevent a hard border?

There are some things we do welcome in the Prime Minister’s statement—[*Interruption.*] I knew Members would be pleased. For one, it is clear that she has now abandoned her ridiculous red line regarding any role for the European Court of Justice, which opens the door to her welcome adoption of Labour’s position of the UK remaining a key part of the European Union agencies that are of benefit to this country.

As I set out last week, Labour’s priority is to get the best Brexit deal for jobs and living standards to underpin our plans to upgrade the economy and invest in every region and every community in this country. The Conservative Government’s reckless austerity is damaging our country, and the increasing sense of drift over Brexit risks increasing that damage. Now the Prime Minister admits that her Brexit plan will reduce our access to European markets and leave people worse off. We have had 20 months of promises, soundbites and confusion. However people feel about Brexit, it is clear to them that this Government are nowhere near delivering a good deal for Britain.

The Prime Minister: The Leader of the Opposition raised a number of issues. First, he raised the issue of steel tariffs and the position of the United States of America, and I spoke to President Trump about this yesterday. May I just say to the right hon. Gentleman that we are much more likely to get a positive result by engaging with the United States of America than by standing on the sidelines sniping and shouting at them, as he always does?

The right hon. Gentleman talks about workers’ rights and other standards. We have been very clear: this Government are not just maintaining workers’ rights, but enhancing them; and we are committed to maintaining high environmental standards. He asked whether we want a deal that was tariff-free. I gave him the statement in advance, so if he had read it, he would know that I referred to tariff-free access in my statement. He talks about ideological crusades, and I have to say that only person in this House—[*Interruption.*] Well, not the only person, because the shadow Chancellor is also on an ideological crusade.

There is a fundamental flaw at the heart of what the Leader of the Opposition has chosen as his approach towards the European Union and the post-Brexit relationship. He talks about free trade agreements with the European Union, yet he is clear that he would go against one of the key elements of ensuring that we could have such trade deals, notably the issue around state aid. He would tear up rules on state aid and fair competition, as he does not believe in fair competition—that is perfectly clear.

At the very beginning of the right hon. Gentleman’s remarks, he asked about the withdrawal agreement—the draft legal text on the withdrawal agreement that was published by the European Union last week—and he referred to my speech last Friday as if it was about the same thing. I have to tell him that it was not, actually, so may I just explain? There are three issues and three elements of the process at the moment. We are negotiating the final arrangements for the implementation period, which we hope will be agreed in March—we certainly

[*The Prime Minister*]

intend that they will be. Alongside that, we are looking at the legal text of the withdrawal agreement—Michel Barnier has made it clear that, on his timetable, we would be looking at October for that—and we now want to start negotiations on the future economic partnership and the future security partnership.

The right hon. Gentleman talks about the European Court of Justice. The jurisdiction of the Court in the United Kingdom will end. We will bring back control of our laws to this Parliament—to this country—unlike the Labour party's position, which is to remain in the single market and, in effect, remain under the jurisdiction of the ECJ. We will also take control of our borders, unlike the Labour party's position—[*Interruption.*] Well, Labour Members do not seem to know what their position is. The Leader of the Opposition said that the Labour party would bring free movement to an end, but at the same time the shadow Brexit Secretary said that “easy movement” would continue. We know that Labour Members would not bring back control of money, because they have said that they would pay whatever it takes to the European Union regardless.

The right hon. Gentleman talks about delays. This Government are focusing on making a success of Brexit and on delivering for the British people, but Labour has nothing to offer. Labour voted against moving on the negotiations in the European Parliament. Labour Members twice voted against the Bill that delivers Brexit in this Parliament; now they have gone back on what they promised on the customs union; and over a week ago the shadow Chancellor said that Labour would keep “all options open” on whether or not to have a second referendum. This Government and this party are clear: there will be no second referendum. We are delivering for the British people, and we are going to make a success of it.

Mr Iain Duncan Smith (Chingford and Woodford Green) (Con): I congratulate my right hon. Friend on what I thought was an excellent speech—clear and determined, giving the European Union a very clear sense of direction. I thought that perhaps the most important point in the speech—the point voted on in the referendum—was about taking back control, so does she agree that bringing back to a British Parliament all decisions about our arrangements is exactly about delivering on that? When she gets into negotiations about trade arrangements with her European counterparts, will she remind them that cake exists to be eaten and cherries exist to be picked?

The Prime Minister: I am grateful to my right hon. Friend. He is absolutely right that when people voted in the referendum to leave the European Union, they voted to take back control of our borders, our money and our laws. We are absolutely clear that when we have left the European Union, decisions over our laws and standards will be for this Parliament to take. We will take back control.

Ian Blackford (Ross, Skye and Lochaber) (SNP): I thank the Prime Minister for early sight of her statement.

It is now over 18 months since the referendum. At a time when the United Kingdom should be putting the finishing touches to its negotiating position, this

Government are still struggling to find paper on which to write down their wish list. It was nothing short of a humiliation for the Government last week that when the EU presented a draft legal text for withdrawal, the Prime Minister gave a speech expounding empty rhetoric one more time.

No single market and no customs union mean that there is no solution that would prevent a hard border in Ireland. The Government's own analysis has revealed that growth would be hit by up to 9% in such an extreme scenario. Scottish Government analysis revealed that Scots could face a loss of £2,300 per person each year, with our GDP around £12.7 billion lower by 2030. That is the reality of the Government's plans.

Last month, as the Prime Minister gathered with her Cabinet at Chequers, there was one glaring absence. Where was the Secretary of State for Scotland? Scotland's voice was not heard at those crucial Cabinet discussions. There has been a flagrant disregard by this Government of the nations that make up the United Kingdom. The Scottish Secretary might not have been invited to Chequers, but rest assured that Members on these Benches will be in this Chamber, speaking up for Scotland at every opportunity—[*Interruption.*]

Mr Speaker: Order. A very sizeable number of Scottish Conservative Members are waving at the right hon. Gentleman. Mr Ross, you are leading with your flag, at which you have very considerable experience. Mr Blackford, what I would say to you is: KBO, man—just keep going.

Ian Blackford: Thank you, Mr Speaker.

We will settle for nothing less than continued membership of the single market and customs union. Scotland voted to stay in the EU. We cannot—we will not—be ripped out of the single market and customs union against our will. We will defend the jobs that the Prime Minister is prepared to trade away. We in Scotland must determine our own destiny. We are a European nation and we intend to stay one. Will the Prime Minister finally recognise that staying in the single market and the customs union is the least damaging outcome for jobs and prosperity?

The Prime Minister: The right hon. Gentleman talks about having Scottish nationalist MPs in this House, but I note that there are only nine here today, which is, of course, fewer than the number of Conservative Scottish Members of Parliament. The decisions that led to the approach in my speech were taken by the whole Cabinet, not by a sub-group of the Cabinet, and all members, bar one who was in this House at the time, were present when that decision was taken.

The right hon. Gentleman talks about timing. Like the Leader of the Opposition, he appears to have misunderstood the fact that the European Union set out at the beginning that there would be different phases to this negotiation. I was always straight with the House that I believed that citizens' rights should be in the first phase. They were; we agreed that in December. Many people, including possibly the right hon. Gentleman—I cannot remember—were sceptical about whether we would get that deal. We did get that deal, and now we move on to the second phase of the negotiations.

May I say to the right hon. Gentleman that, yet again, he has tunnel vision on there being only one approach to take on a single market and a customs union?

We will ensure that we get trade with the European Union that is tariff-free and as frictionless as possible; that there is no hard border between Northern Ireland and Ireland; and that this country will be able to run an independent trade policy, negotiating trade deals around the rest of the world.

Finally, the right hon. Gentleman talks about Scotland as an independent nation taking decisions. Yet again, I remind him that, from the point of view of Scotland's economy, the most important thing is to be part of the United Kingdom.

John Redwood (Wokingham) (Con): The Prime Minister speaks for the big majority of the British people when she says that both sides now need to get on with it. Will she confirm that the British Government will ensure that we are ready to leave in March 2019, with or without a deal, and with or without a positive response from the EU?

The Prime Minister: I can reassure my right hon. Friend that we will be leaving in March 2019 and that we continue to work on all scenarios to ensure that we are ready.

Hilary Benn (Leeds Central) (Lab): Although the Prime Minister's speech provided some welcome additional detail on her view of the future partnership, the Irish Foreign Minister, Simon Coveney, said yesterday that she had not done so when it comes to

"maintaining a largely invisible border on the island of Ireland." Regardless of the means that she has in mind for achieving that, is she able today to give a guarantee to businesses in Northern Ireland and the Republic that their manufactured goods and agricultural products will be able to cross the border without checks, controls or infrastructure when we leave the European Union?

The Prime Minister: I welcome the right hon. Gentleman's opening remark in which he said that I had provided more detail in the speech I gave on Friday. He might like to have a discussion with the Leader of the Opposition about the fact that there was such detail in the speech.

We will not return to a hard border between Northern Ireland and Ireland. We want that free flow of goods, services and people to be able to continue—of course we are committed to the common travel area—and we also want the free flow of goods, services and people between Northern Ireland and the rest of the United Kingdom. That is why we took the position that we did on the proposal that came forward last week from the European Commission. That would have meant a border down the Irish sea, which is unacceptable.

Anna Soubry (Broxtowe) (Con): No one can doubt the determination of our Prime Minister to get the very best deal for our country in these most difficult of negotiations. In her speech on Friday, she was frank about the complexity and economic consequences of the deal that she seeks with the European Union. In the spirit of that frankness, and given that it is undoubtedly the case that any deal will bear considerable administrative costs, will the Prime Minister undertake to keep this House, and therefore our constituents, fully apprised of those administrative costs of our eventual relationship and deal with the European Union?

The Prime Minister: As we have said before, we will of course make information available to this House, when it is possible to do so, as we go through this process of negotiation. A certain amount of information has already been made available, for example about the amount of money that my right hon. Friend the Chancellor of the Exchequer set aside for the contingency preparations that are being made by Departments. My right hon. Friend will be aware of some of the other steps that we have taken, including setting up two new Departments when I became Prime Minister, to ensure that we had a Department focused on exiting the European Union and another—the Department for International Trade—focused absolutely on making a success of the opportunities that will be open to us once we have left the EU.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Prime Minister is still proposing that we will be outside a customs union and have different external tariffs and commercial policies, which she knows will mean burdensome rules of origin checks, and customs checks on goods crossing borders to ensure that businesses do not evade or avoid those different external tariffs. She has proposed that 80% of businesses in Ireland would be exempt from any of those checks, but she will be aware that security experts have warned of the risk from not just physical infrastructure at the border, but an increased incentive for smuggling, particularly given the links between smuggler groups and paramilitary organisations. Why is she continuing to pursue a policy on the customs union that involves a risk of increasing both the smuggling and security threats?

The Prime Minister: First, I remind the right hon. Lady that the 80% reference was in one of the options on future customs arrangements between Northern Ireland and Ireland. Of course, what I set out in the speech in relation to that border issue was about not just the customs arrangements, but the regulatory standards that this country will be following once we have left the European Union. We are not going to be in a customs union—we are not going to be in the customs union—because that would prevent us from being able to follow an independent trade policy, which is something that we should be following because we can see great opportunities for companies, businesses, jobs and prosperity in the UK as a result.

Sir William Cash (Stone) (Con): Given my right hon. Friend's confirmation in both her speech on Friday and her statement today that our EU policy rightly rests on fundamental UK principles in our national interest—namely, the sovereignty of our own Parliament and our own judiciary, our own democracy and the integrity of the United Kingdom—does she agree that the official Opposition's continuous unprincipled reversals of their policy betrays not only their own voters, but the country?

The Prime Minister: My hon. Friend is absolutely right. We consistently hear the Opposition saying one thing about their Brexit policy one minute and something else the next. Crucially, they would not be delivering for the British people, because they would stay in the single market and the customs union, they would see the jurisdiction of the European Court of Justice, and they

[*The Prime Minister*]

would continue to pay sums of money over to the European Union. Those are the very things that people voted against.

Sir Vince Cable (Twickenham) (LD): May I first congratulate the Prime Minister on the fact that, after 20 months of tough negotiation, she appears now to have delivered at least a trade deal with her own Cabinet? In her future independent trade negotiations with the economic nationalist and warmonger in the White House, what exactly are the Prime Minister's red lines, and do they include the NHS?

The Prime Minister: I am absolutely clear that as we look to negotiate a trade deal with the United States of America, the national health service will remain as it is today. It will remain free at the point of use. The national health service is not for sale. We continue to stand by the principles of the NHS, and we will be very clear about that when we come to negotiating a trade deal with the United States.

Several hon. Members *rose*—

Mr Speaker: Ah yes, a very well-behaved fellow—I call Mr Jacob Rees-Mogg.

Mr Jacob Rees-Mogg (North East Somerset) (Con): Thank you, Mr Speaker, for that compliment.

Does my right hon. Friend, having made such a generous offer to the European Union, expect more generosity than it has shown so far? I think particularly of the aggression in the draft legal text of suggesting a solution to the Irish problem that would have been in contradiction to the confidence and supply agreement with the Democratic Unionist party, threatening the existence of the Government. Does my right hon. Friend think that it is right for the European Commission to behave in such a high-handed fashion?

The Prime Minister: We are in a negotiation. Both sides put their positions at various stages. Just as the European Commission chose to put that position forward, so it was absolutely right for this Government to be clear—I repeated it last week in Prime Minister's questions and I am happy to do so again—that the suggestion that there should be a border down the Irish sea separating Northern Ireland from the rest of the United Kingdom is completely unacceptable to this Government and, I believe, to any Government in the United Kingdom.

Mr Pat McFadden (Wolverhampton South East) (Lab): On Friday and today, the Prime Minister said that our access to one another's markets would be less than it is now. This is the public burial of the claim made by her Brexit Secretary a year ago in this House that the Government's aim was to secure the "exact same benefits" as we now enjoy. The Prime Minister has admitted to the country that there is an economic cost to Brexit, so will she now tell us what is that economic cost, when the public will be told about it, and who will pay it?

The Prime Minister: Life is going to be different in the future because we will have a different relationship with the European Union. While the right hon. Gentleman and the Labour party consistently focus only on our relationship with the European Union, we, as a Government, are ensuring that we get the best possible

trade deal with the European Union, together with trade deals with countries around the rest of the world, and that we develop our economy so that we have a Britain fit for the future.

Dr Sarah Wollaston (Totnes) (Con): The Prime Minister is rightly putting the needs of patients first in seeking associate membership of the European Medicines Agency. Will she go further in doing the same and commit to freedom of movement, both now and in future, for researchers and those in the health and care workforce who seek to work and study in each other's countries?

The Prime Minister: When we leave the European Union, free movement, which has been one of the pillars of the EU, will end. However, as I said in my statement and in my speech on Friday, EU citizens will continue to want to work and study here, and UK citizens will continue to want to work and study in the EU27. We will be setting out our proposals for our immigration rules on that, and we will stand ready to discuss the arrangements that will be made in future.

Emma Little Pengelly (Belfast South) (DUP): I thank the Prime Minister for her robust rejection of the disgraceful European Union attempts to interfere in the internal constitutional affairs of our sovereign United Kingdom. Does she agree that in finding and pursuing the customs solutions outlined today, there is nothing—nothing—that could create additional barriers or additional requirements in relation to Northern Ireland's trade with Great Britain in the internal market of the United Kingdom?

The Prime Minister: I am very happy to make it clear that we are looking for an arrangement that both maintains the internal market of the United Kingdom and ensures that we have no hard border between Northern Ireland and Ireland. We have set out proposals on how we can achieve that. I look forward to discussing those with the European Commission, and also with the Taoiseach and the Irish Government.

Sir Nicholas Soames (Mid Sussex) (Con): Will the Prime Minister confirm that the Commission is now in full possession of all the issues upon which we are to negotiate, and thus that there is no good reason why these talks should not now proceed apace in an orderly and friendly fashion?

The Prime Minister: Absolutely. The European Union asked for more detail to be set out. I said that I would do that at the appropriate time. I have now done so both on security and on our economic partnership. My message to the European Union in relation to the negotiations is, "Let's get on with it."

Kate Hoey (Vauxhall) (Lab): The Prime Minister made some very sensible suggestions in her speech about the relationship with regard to the border between Northern Ireland and the Republic of Ireland. Has she read a very good report by the European Parliament's Committee on Constitutional Affairs about how the border issue can be solved by innovative technology and so on? Will she make sure that her officials also read that before they go back into negotiations?

The Prime Minister: I can tell the hon. Lady that I am aware of that report and have asked officials to look at it very carefully. I believe it gives some very good proposals for solutions.

David Duguid (Banff and Buchan) (Con): I welcome my right hon. Friend's commitment yet again to leave the common fisheries policy and the common agricultural policy—a commitment that is very welcome in my constituency in Scotland, which might surprise some Opposition Members. What impact does she think this new freedom will have on those sectors?

The Prime Minister: Obviously, we have to set our new agricultural policy and fisheries policy, but I believe that these freedoms will open up new opportunities for fishermen and farmers across the whole United Kingdom.

Emma Reynolds (Wolverhampton North East) (Lab): Could the Prime Minister name an international border between two countries that are not in a customs union and have different external tariffs where there are no checks on lorries carrying goods at the border?

The Prime Minister: There are many examples of different arrangements for customs around the rest of the world. Indeed, we are looking at those—including, for example, the border between the United States and Canada.

Mr Bernard Jenkin (Harwich and North Essex) (Con): I thank my right hon. Friend for her statement and congratulate her on a calm speech that has been widely welcomed. It was based on both the principles she has consistently set out towards leaving the European Union and the realistic compromises this nation will have to make to achieve a comprehensive trade agreement. Do we not now owe it to her to get behind her and her negotiations, instead of undermining her all the time, as the Opposition are doing?

The Prime Minister: I thank my hon. Friend. I think it would be a much stronger position if the Opposition were to get behind the Government and agree to support the approach we are taking to get the best possible deal from Brexit. We are focused on delivering for the British people. Sadly, the Opposition want to frustrate Brexit and fly in the face of the vote that was taken by the British people.

Mr Ben Bradshaw (Exeter) (Lab): Do President Trump's trade barriers, aimed primarily at us in Europe and against Canada, and the news from this lunchtime that the Americans are offering us a worse deal on open skies than the one we currently enjoy as members of the European Union, ever make the Prime Minister think that we might be making a mistake by removing ourselves from our single biggest market and the world's biggest free trade area?

The Prime Minister: It is very important that the British people voted for us to leave the European Union. If the right hon. Gentleman is saying that we should stay in the single market and in the customs union, he is suggesting that the trade policy for the United Kingdom will be determined by the European Union without our having a say in it. That would mean that the European Union would determine our external tariffs and the

basis on which we traded with countries around the rest of the world. If he really thinks that the European Union, in those circumstances, would put the interests of the United Kingdom first, I have to tell him that I do not think it would. It is better for us to have our own independent policy.

Mrs Kemi Badenoch (Saffron Walden) (Con): Will my right hon. Friend clarify that, contrary to the comments made by the Leader of the Opposition, the establishment of an independent arbitration mechanism will mean that the ECJ will not have jurisdiction over our future relationship?

The Prime Minister: My hon. Friend is absolutely right.

Alison McGovern (Wirral South) (Lab): The Chancellor of the Exchequer will soon give us the spring statement. At that moment, the Office for Budget Responsibility will publish its financial outlook for our country. What instructions has the Prime Minister given to the OBR for it to produce that forecast? What has she informed it of her new policy for Brexit?

The Prime Minister: The OBR is an independent body. It determines its own forecasts and makes its own judgments about the future, and we look forward to seeing what it brings forward at the time of the spring statement.

Stephen Crabb (Preseli Pembrokeshire) (Con): President Trump's threats over steel products remind us that, alongside an independent trade policy, we need independent and effective trade enforcement and trade defence measures. What assurance can the Prime Minister give the House that we will have those systems in place from day one when we leave the European Union?

The Prime Minister: We are indeed working on ensuring that we have the necessary structures in place, and legislation will be brought forward to this House in due course in relation to those issues. My right hon. Friend made reference to trade remedies. Of course it is very important that we are able to determine those trade remedies, rather than leaving it to the European Union to determine them for us, as would happen under the policy of the Leader of the Opposition.

Caroline Lucas (Brighton, Pavilion) (Green): Since the Brexit that the Prime Minister has set out is nothing like the Brexit we were promised—no “exact same benefits”, and far from £350 million a week for the NHS, we have nurses actually leaving the NHS and fewer coming in—does she not think it will be right to give the people the right to have a say on the final deal?

The Prime Minister: We actually have more nurses working on wards in the NHS now than we did in 2010. The British people were given a vote by this Parliament on membership of the European Union, and we are delivering on their decision.

Michael Fabricant (Lichfield) (Con): The Prime Minister has consistently said that she wants a unique Brexit trade deal for Britain, and she has said again today that Canada and Norway are not the models for us. Is she

[Michael Fabricant]

aware that Angela Merkel has pointed out that Norway has a population of only 4 million, and Canada has a population of only 36 million and trades with the United States? Is the Prime Minister as pleased as I am that Angela Merkel has been able to form a Government, and does she agree that Angela Merkel, being the pragmatic lady she is, will have considerable influence on the European Union in securing a good deal for the United Kingdom?

The Prime Minister: I was pleased to speak to Chancellor Merkel yesterday to congratulate her on the formation of her Government. I look forward to the negotiations we will be having with Germany and the other members of the European Union. She and others have all been clear that, as we look to the future relationship, we must recognise that the models that already exist do not meet the requirements of the United Kingdom.

Mr Chris Leslie (Nottingham East) (Lab/Co-op): The Prime Minister has been forced to admit that market access will be less. She wants to be straight with the public. This time last year, she promised that we would have

“the same benefits in terms of that free access to trade.”

Does she regret that?

The Prime Minister: We are setting out on negotiating a free trade deal that will ensure that, for goods, we continue to have tariff-free and as frictionless as possible trade across borders. We have also set out our ambition for financial services, digital services, broadcasting and a whole range of other areas. We will be achieving the benefits of the trade with the European Union in some cases in different ways, but that does not mean that we are not going to have the benefits of a good trading relationship with the European Union in future.

Maggie Throup (Erewash) (Con): I welcome my right hon. Friend’s pragmatic approach to the negotiations with the EU, and her ongoing commitment to getting the best deal for Britain. Does she agree with me that by fixing the roof and eliminating the day-to-day budget deficit, Britain is now in a much stronger position to be able to forge new trading relationships with the rest of the world, as well as the EU, and make a success of Brexit?

The Prime Minister: My hon. Friend raises a very important point. It is of course the decisions that have been taken by Conservatives in government since 2010, which have put our economy in a much stronger position, that enable us to be able to do those very good trade deals. If we just look at what has happened recently—productivity is up, borrowing is down, employment is up—this is a strong economy, and we should have optimism about our future.

Diana Johnson (Kingston upon Hull North) (Lab): Siemens is doing great work in east Yorkshire—in Hull, with a renewables factory, and in Goole, with plans for a train factory—so will the Prime Minister tell me whether she believes there will be the same access to European markets for Siemens once we have left the EU in March 2019?

The Prime Minister: I am very pleased to welcome the investment—and the continued investment—that Siemens is making in the United Kingdom. I meet the senior directors of Siemens from time to time to discuss their investment in the United Kingdom. We have been clear, as I said in my speech on Friday, that we have been listening to businesses. That is one of the reasons why we have talked about maintaining high regulatory standards in goods crossing borders, so that we can maintain that good trade access between the United Kingdom and the European Union in the future.

George Freeman (Mid Norfolk) (Con): May I congratulate my right hon. Friend on a reassuringly and typically business-like speech on Friday? It sent a clear message that there will be no hard Brexit, only hard choices. Will she reassure me and the UK life sciences sector that her proposal for associate membership of the European Medicines Agency means that we will be able to sell medicines into Europe and continue to lead in the pioneering technologies of tomorrow’s medicines?

The Prime Minister: I am very clear about the important role that the life sciences industry plays in the United Kingdom, and I pay tribute to the work that my hon. Friend has done with it here in the United Kingdom. We wish to explore the possibility of some form of associate membership of those agencies. That is in the interests not just of the UK but of people across the EU, in terms of getting medicines to market more quickly.

Peter Kyle (Hove) (Lab): The European Union has published the draft text of its legal stance of its negotiating position. The Prime Minister makes a speech, which does give more detail, but is still full of ambiguity. When will she publish the legal text of her negotiating stance?

The Prime Minister: I did try to explain this to the Leader of the Opposition, but I will have another go. The legal text that was published by the European Commission is not a legal text on its negotiations for the future economic or security partnership; it is a legal text on withdrawal agreement. We are working on that with the Commission, but what I have done is set out, from the United Kingdom’s point of view, what we want to see from our future economic partnership, just as I set out our future security partnership in Munich a few weeks ago. We now wait for the response from the European Union to our putting out our proposals before they have put out theirs.

Mr Peter Bone (Wellingborough) (Con): In 389 days’ time, the United Kingdom will leave the dreadful European Union superstate. The Prime Minister will end the free movement of people; she will stop sending billions and billions of pounds to the EU each and every year; and we will make our own laws in our country, judged by our own judges. Does the Prime Minister find it slightly disconcerting that she is the first Conservative leader who has been able to unite those on these Benches on Europe?

The Prime Minister: I am very pleased that on these Conservative Benches we are united in the aim of ensuring that we deliver on the vote of the British people, we leave the European Union and we do it with a good deal that leads to an optimistic future for this country.

Angela Smith (Penistone and Stocksbridge) (Lab): It is obvious that the Prime Minister sees a US trade deal as something of a priority, so will she guarantee that there will be no sacrifice of either the interests of UK farmers or our animal welfare and environmental standards in order to secure such a deal?

The Prime Minister: The United States has expressed interest in a trade deal with us—so have a number of other countries around the world, such as Australia and others—but as I have said, and as the Environment Secretary and others have said, we remain committed to high animal welfare and environmental standards.

Sir Desmond Swayne (New Forest West) (Con): Were a settlement close, how will the Prime Minister react to entreaties to delay departure by agreement within article 50?

The Prime Minister: It is our intention to ensure that we can negotiate what is necessary to negotiate within the time scale that is set within article 50.

Helen Goodman (Bishop Auckland) (Lab): Yesterday, I had an email from a senior businessman in the north-east, who says that the Prime Minister and her Cabinet

“seem to ignore...the real nature of global trade today...Our businesses wishing to trade with China or the USA build new facilities there”.

They do not

“send goods halfway around the globe...We...want...to share in existing EU arrangements”.

Why does the Prime Minister not start listening to the CBI and the chambers of commerce?

The Prime Minister: The CBI, the chambers of commerce and the Federation of Small Businesses welcomed what I set out in my speech on Friday as an ambitious programme, and welcomed the degree of detail in my speech. We are listening to business. That is why I put what I did in my speech about regulatory standards.

Paul Masterton (East Renfrewshire) (Con): As a Conservative, it is always pleasing when pragmatism trumps ideology, but as a Unionist, it is vital that our departure from the EU does not undermine the political, constitutional or economic integrity of our Union. Can the Prime Minister confirm that it is her position that there will never be any differentiated deal for any constituent part of the United Kingdom?

The Prime Minister: I am absolutely clear that we want to maintain the United Kingdom. This is a precious Union of four nations but one people, and it is in the economic interests of all parts of the United Kingdom that we maintain the internal market of the United Kingdom. We do not want to see, and we will not see, Brexit leading to any break-up of the United Kingdom.

Jenny Chapman (Darlington) (Lab): My hon. Friend the Member for Wolverhampton North East (Emma Reynolds) asked earlier where an example could be found of a border between jurisdictions. The Prime Minister gave the example of the border between Canada and the United States as being soft and frictionless. There are guns and armed customs guards on that border. Surely that is not what she has in mind? Can she perhaps find another example?

The Prime Minister: What I said was that we are looking at the border arrangements in a number of countries around the world. We are looking not just at the border arrangements the European Union has with a number of countries—it has a variety of customs arrangements with various countries—but more widely around the world. I have set out what I believe is a future arrangement for customs that will suit the United Kingdom and the European Union, and will ensure no hard border between Northern Ireland and Ireland. As the hon. Member for Vauxhall (Kate Hoey) pointed out, this has been picked up in the European Parliament and it has been made clear that there are innovative solutions that can deliver exactly what we are talking about.

Mr John Baron (Basildon and Billericay) (Con): I commend the Prime Minister for her speech on Friday and her statement in the House today. With record inward investment, record manufacturing output and record low unemployment for a generation, when does she think economic reality is going to dawn on the doomsters on the Opposition Benches, particularly when it comes to the economic prize that will be available once we have left the EU?

The Prime Minister: Unfortunately, the Opposition are turning their face away from what is actually happening in our economy: productivity up, employment up, borrowing down. We are seeing good results in our economy, but there is more we can be doing. I am optimistic about what we can achieve through our trade arrangements with the EU in the future, but also, as we go outside and become a much more outward-looking country, with an independent trade policy.

Joanna Cherry (Edinburgh South West) (SNP): The Prime Minister said that last week's speech was not about draft withdrawal agreements produced by the EU, and I understand that. However, in answer to a number of questions from hon. Members today, she has suggested that that draft withdrawal agreement does not accurately reflect what she agreed to in December. If that is the case, when is she going to produce an alternative draft that does reflect accurately what she agreed to in December?

The Prime Minister: What I have said about the draft withdrawal agreement is that the European Commission chose to put in it—it is a lengthy document—a particular reference to the issue of the border between Northern Ireland and Ireland. That was the third option in the December joint report. The Taoiseach and I are both very clear that we want to resolve the issue using the first option in the report, notably the UK's overall relationship with the European Union. There are ways in which all three options can be developed, including that third option, which is different from that produced by the European Commission, and that produced by the European Commission could not be accepted by the UK Government.

Vicky Ford (Chelmsford) (Con): Competition policy is the glue that holds together all free trade agreements. Does the Prime Minister agree that the suggestion from the Labour party that it could somehow remain in the single market while running reckless through state aid policy is a fantasy fiction drama worthy of an Oscar?

The Prime Minister: My hon. Friend is absolutely right. She has hit the nail on the head.

Stella Creasy (Walthamstow) (Lab/Co-op): My constituency neighbour, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), may tell the Prime Minister that cherries are there to be picked and cake is there to be eaten, but however sweet it seems fudge is no way to run the country. So can she tell us straight? There are £400 million of public contracts that have full or partial EU funding and are due to expire in the next four months. Does she intend to renew or replace them, many of which are with education and skills facilities, or does she need to find a bus to write it on first?

The Prime Minister: Obviously, while we are still members of the European Union, we are looking at maintaining our relationships within the EU and maintaining our obligations and rights as a member of the EU. One issue that will be looked at in relation to the withdrawal agreement is what happens to contracts that are in place at the point at which we leave and what arrangements will pertain to those contracts.

Richard Graham (Gloucester) (Con): I welcome the balance and realism in the Prime Minister's speech. To allay the concerns of those who have continually argued that the only deal available to us would be a clone of previous deals with other countries, will my right hon. Friend confirm today that both her Government and the European Commission's preparations show clearly that the deal reached with us will be unique, bespoke and multi-tiered, and will confirm the continuing existence of many areas of co-operation between our two areas, while respecting the result of the referendum?

The Prime Minister: My hon. Friend is absolutely right. This is a relationship that we will be building across a number of areas. I have spoken specifically about economic partnership and in most detail about the goods trade between the EU and the UK in the future. There is the security partnership as well and our work on civil judicial co-operation. There is a whole range of areas in which we will be building a new relationship but a continuing good relationship with the EU, because we may be leaving the EU, but we are not leaving Europe.

Stephen Timms (East Ham) (Lab): The reality, unfortunately, is that the hard Brexit that the Prime Minister is now pursuing will lead inexorably and inevitably to a hard border in Northern Ireland. Between Canada and the United States, there are border checks of exactly the kind that she rightly says—unlike the Foreign Secretary—that she does not want in Northern Ireland. Will she confirm that she cannot name a single example anywhere in the world of an international border with no customs union and no border checks? It is a fantasy.

The Prime Minister: The Opposition need to stop thinking in this binary fashion—that either you are in a customs union or you cannot have suitable customs

arrangements. This is exactly the problem. We have set out very clearly the options that are available. I have elaborated on another aspect of the relationship—notably, the regulatory standards. These two go together in building that trade relationship, which means no hard border between Northern Ireland and Ireland.

Robert Neill (Bromley and Chislehurst) (Con): May I congratulate the Prime Minister on the pragmatic tone of her statement and her speech, which fits the natural tenor of our party, as well as our country? May I also congratulate her on her recognition of the importance of civil judicial co-operation in this matter, but will she accept that, consistent with the findings of the Justice Committee in the last Parliament, the Lugano convention arrangements are not a sufficient basis on which we should seek to go forward, as they are both more costly and slower than the existing procedures? We need something better than that.

The Prime Minister: We will be looking very closely at the arrangements that we want to put in place in relation to civil judicial co-operation. What is interesting about the Lugano convention is that it shows that the European Union is willing to enter into arrangements with other countries, so there is no reason why we cannot do that once we have left the European Union.

Heidi Alexander (Lewisham East) (Lab): If continued ease of trade with Europe for our financial services firms, broadcasters, insurance providers and IT companies ends up being dependent on an EU immigration regime that is broadly similar to that which we have at the moment, what will the Prime Minister choose: the economy or her precious immigration targets?

The Prime Minister: When the British people voted to leave the European Union, one of the issues that they were voting on was the need for this country to take control of its borders to bring an end to free movement, and we will do exactly that.

Several hon. Members *rose*—

Mr Speaker: Ah yes. Another very well-behaved young fellow, possibly now at the mid-point of his parliamentary career, but I am sure not beyond it—I call Sir Edward Leigh.

Sir Edward Leigh (Gainsborough) (Con): Thank you for picking the succulent cherry at last, Mr Speaker. It seems to many of us that the Prime Minister's calm good sense is moving the country from the gloomy valley of "Project Fear," peopled by the shades of former Prime Ministers, into the hopeful uplands of "Project Reality". What could be more unifying and more Conservative than her pragmatic approach of proceeding by sensible, pragmatic and moderate steps to re-establish the sovereignty of Parliament?

The Prime Minister: I thank my hon. Friend; I think that is absolutely right. Negotiations are taking time. They have been set out, as we know, in article 50 for those two years. What is important is that we approach them with the right, pragmatic, calm approach, but recognising in all this the optimistic future that lies ahead for the United Kingdom.

Tom Brake (Carshalton and Wallington) (LD): The Prime Minister has one chance to pull back from the abyss described in her own impact assessment. Is she willing to stand up for the majority in this country who do not want the disastrous hard Brexit and give Parliament and the public a meaningful vote that includes the option of staying in the EU, and to vote for an exit from Brexit, or will she let herself be dragged down by the inconsequential and deluded men who sit on her Front Bench and become the third Conservative Prime Minister in history to be brought down by Europe?

The Prime Minister: There was a time when the Liberal Democrats actively wanted a referendum on EU membership. We gave the people a referendum, they voted, and there will be no second referendum, no exit from Brexit; we are leaving the EU and delivering on the vote of the people.

Helen Whately (Faversham and Mid Kent) (Con): May I thank the Prime Minister for her clear-sighted approach—as opposed to one that sees our negotiations with the EU through foggy red lenses of a battle between socialism and capitalism—and commitment to securing an agreement that is good for the whole UK and that will endure the test of time?

The Prime Minister: My hon. Friend has raised an important point that nobody else has referenced: this agreement needs to endure. The worst thing would be if we came to an agreement that in a few years was beginning to unravel. It is important that the agreement be an arrangement and partnership with the EU that will, as she says, stand the test of time.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): The Prime Minister accepted in her Mansion House speech last week that the UK would not be able to trade on the same terms with the EU post Brexit. Under her Government's calculations, how much of a hit will her Brexit be to the UK economy?

The Prime Minister: The idea that we can benefit only from carrying on working in exactly the same way is wrong. We will have a different partnership and relationship with the EU. Yes, there are some hard choices for us to make and some areas where access will not be the same as in the past, but that does not mean that the country's economy cannot go from strength to strength as a result of getting the right relationship with the EU and trading around the rest of the world.

Andrew Selous (South West Bedfordshire) (Con): How can we best ensure that the considerable good will that many EU countries have towards the UK is fully reflected in the negotiating mandate given to Michel Barnier by the EU?

The Prime Minister: I discussed with President Tusk last week the approach that the UK thinks appropriate, and I hope that we can have a good and open dialogue in our future negotiations. I have set out my proposals for the UK's future partnership, and we look forward to hearing from the EU what its proposals are.

Ian Murray (Edinburgh South) (Lab): What will the Government do if any or all of the Prime Minister's five tests are not met?

The Prime Minister: We are working to ensure that our five tests are met.

Andrew Bridgen (North West Leicestershire) (Con): Canada did not pay anything for its comprehensive free trade deal with the EU. Given that we will be the biggest export market for EU goods after we leave and are offering a very generous divorce package, contingent on a deal, does my right hon. Friend agree that we should be expecting and demanding a much better deal than Canada got?

The Prime Minister: I am clear, and have said several times, that the relationship we already have with the EU is such that we are in a different position from Canada. We can have a free trade agreement and economic partnership that goes well beyond that which the EU negotiated with Canada.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The Prime Minister has admitted that life will be different, so does she now accept her own Government's comprehensive analysis, which many of us have been to see in the Treasury? It shows that the gains from trade will be offset by the losses and that there will be a hit to our economy in every scenario that involves leaving the single market and customs union—with borrowing going up, austerity continuing and deregulation coming through—and if not, can she explain how on earth this is in the national interest?

The Prime Minister: The analysis I think the hon. Gentleman is talking about did not actually analyse the sort of arrangements we are talking about for our future economic partnership.

Ross Thomson (Aberdeen South) (Con): In her statement, my right hon. Friend reaffirmed her commitment to strengthening the UK as we leave the EU. Does she agree therefore that, if the Scottish Government are to be true to their word about reaching an agreement with her Government, they should immediately drop their plans for a dangerous and unwelcome EU continuity Bill, which is driving a sledgehammer through the devolution settlement?

The Prime Minister: I agree with my hon. Friend that the continuity Bills are unnecessary. What everybody needs to do—and certainly what we as a Government are doing—is focus on getting the arrangements right, particularly in relation to clause 11, and carry on negotiating to make sure we get it right for the future.

Layla Moran (Oxford West and Abingdon) (LD): Staying in Euratom is vital for jobs and ground-breaking scientific research throughout the United Kingdom. Given that the Prime Minister now wants us to remain a member of EU agencies, and has accepted a role for the European Court of Justice, will she listen to those in the industry and ensure that we stay in Euratom?

The Prime Minister: I have referred to the interests that both the UK and the European Union have in our maintaining a close relationship with Euratom in the future. Membership of Euratom is an integral part of membership of the European Union, and we are coming

[*The Prime Minister*]

out of Euratom as we are coming out of the EU, but, as the hon. Lady will know, we are making arrangements to ensure that we can maintain that close relationship.

Mr Speaker: I call Rebecca Pow.

Rebecca Pow (Taunton Deane) (Con): Thank you, Mr Speaker. I was just about to give up.

Much as I love gardening, I do not grow cherries, but if I did, I would want to pick them, and if I had a surplus I would want to trade them, openly and fairly. Does the Prime Minister agree that we need a balance, supporting a wider range of sectors than other free trade agreements? Does she agree that that is in both our interests and that we must have fair and open competition for everyone?

The Prime Minister: I congratulate my hon. Friend on her entrepreneurial spirit. She is absolutely right. We want to ensure that there is fair and free competition. I have referred to binding commitments in relation to state aid and competition because I think it important that if we are to have that free trade, we are able to do so on a basis that is truly, fairly competitive.

Mr Speaker: It is nevertheless of great interest to learn about the gardening habits of the hon. Member for Taunton Deane (Rebecca Pow). I feel duly uplifted by that discovery. I simply say to the hon. Lady: never, never give up.

Wes Streeting (Ilford North) (Lab): At the time of the referendum, both Tony Blair and Sir John Major warned of exactly the scenario faced by the Prime Minister now in relation to the Northern Ireland-Republic border, which is presumably why a majority of people in Northern Ireland voted to remain in the European Union. If everything is as plain sailing as the Prime Minister suggests, why has the Foreign Secretary written her a memo entertaining the prospect of a hard border? Given that he has undertaken to publish that memo but has not found time to do so, perhaps the Prime Minister could prod him—or even jab him as hard as necessary—to get that memo out of him as soon as possible.

The Prime Minister: The answer to the hon. Gentleman's question is that the Foreign Secretary has not said that. He is absolutely clear that there will be no hard border between Northern Ireland and Ireland. That is the position of the Government, and that is what we are working on. We have set out proposals, and I look forward to discussing them with the Commission and the Irish Government.

Wes Streeting: Clip him round the earhole. Get the memo out of him.

Mr Speaker: Order. That is very discourteous behaviour. Let us hear from another well-behaved individual. Ah, yes: Jeremy Lefroy.

Jeremy Lefroy (Stafford) (Con): Thank you very much, Mr Speaker. I am not sure that my family would say that.

May I thank my right hon. Friend for two things in particular? The first is her absolute upholding of the United Kingdom—our United Kingdom—and our internal trade within our United Kingdom. The second is her point about the frictionless border. In my area of the west midlands, that is incredibly important. We are manufacturing exporters, and we rely on “just in time” deliveries to enable us to export our fine products around the world.

The Prime Minister: The point about the importance of the integrated supply chains that we now see across the UK and the rest of the European Union has been made to me, and to others in the Government, by businesses. That is precisely why I said what I did in my speech about regulatory standards. Many businesses have made it clear that, to maintain those supply chains, they need to be able to operate on the basis of the same regulatory standards. That is why we want to have that frictionless border, and why we have made proposals to do just that.

Mr Speaker: Let us hear from another very well-behaved person—in fact, a cerebral academic, I think. Nick Thomas-Symonds.

Nick Thomas-Symonds (Torfaen) (Lab): I am most grateful for the compliments, Mr Speaker.

The Prime Minister has said that alignment is possible in two ways, either by having the same rules or by having the same consequences flowing from different rules. Which of those two categories will the automotive sector fit into, given that so many jobs in the country depend on it, not least in my constituency?

The Prime Minister: It will clearly be up to Parliament to decide which rules apply in the future. As I pointed out in my speech on Friday, the automotive industry is a very good example of what I said in response to the question from my hon. Friend the Member for Stafford (Jeremy Lefroy) about integrated supply chains. We have been clear about this. Choices will be made about the areas where it is right—where Parliament will say that it wants an identical law, and where it wants the same outcome but wants to achieve it by a different means. Many businesses have made it very clear that they want to maintain the same regulatory standards, which is why that is one of the options that will be available.

Alberto Costa (South Leicestershire) (Con): Yesterday, Italy had its general election. My hon. Friend the Member for Gainsborough (Sir Edward Leigh) and I met Luigi Di Maio, leader of the Five Star Movement, whose party has led in the results today. Over the last two years, Mr Di Maio and I have corresponded; he was my guest here in Parliament, and I invited the Foreign Secretary to meet him two years ago. Given the Prime Minister's commitment to ensuring that this country has maximum access to the single market while coming out of free movement, which is exactly what Mr Di Maio has suggested Britain should have, should she not meet him as soon as possible?

The Prime Minister: We are of course looking with interest at the results of the general election in Italy, and we will of course enter into discussions with the Italian Government when that Government are formed.

Wera Hobhouse (Bath) (LD): The Prime Minister has struggled today to find any examples of a customs border without physical border checks, and indeed every expert we have heard in the Select Committee on Exiting the European Union has said that no such thing exists in the world, so how long does the Prime Minister think it will take to agree and implement this new thing in the world, if she thinks it is possible?

The Prime Minister: A number of Opposition Members suggest that we can adopt something only if somebody else is already doing it. Actually, what we have put forward is a number of proposals to deal with this issue of a customs arrangement, together with the commitments on regulatory standards that ensure we get that frictionless border between Northern Ireland and Ireland, and we stand ready to sit down and discuss them with the Commission and the Irish Government.

Andrew Percy (Brigg and Goole) (Con): Last week, Siemens announced a £200-million investment that will create 700 jobs in Goole. That proves the value of the economy of the north, so as the Prime Minister negotiates for Brexit, as well as obviously looking out for the interests of Northern Ireland, the City and Scotland, will she look out for the interests of the north? That requires approaching this process with flexibility, but it also means standing up for the voters of the north, who voted in huge numbers to leave, and who, since the referendum, have been patronised and insulted as being too thick, too northern or too racist.

The Prime Minister: The aim is to ensure that when we leave the European Union, we have a result that is good for the whole United Kingdom—not just Scotland, Wales and Northern Ireland, but the whole of England, including the north. My hon. Friend is absolutely right that voters in the north of England voted overwhelmingly to leave the EU. This Parliament gave them that vote; it gave the people of the United Kingdom that vote, and it is right that we as politicians deliver on that, rather than talking, as the Liberal Democrats do, about a second referendum. The Labour party, too, will not rule out a second referendum. It should be listening to the people and giving them what they voted for.

Dr Rupa Huq (Ealing Central and Acton) (Lab): First chlorinated chicken, then hormone-pumped beef, and now a trade war. Are those really a price worth paying to keep holding hands with Trump? We should be holding him to account.

The Prime Minister: We are discussing with the United States of America a potential trade deal, and we will also be doing that with other countries around the world, such as Australia, because we are ensuring that we are developing the economy of the future for this country; that will bring jobs and prosperity to this country in years to come.

Bill Wiggin (North Herefordshire) (Con): I congratulate my right hon. Friend, but can she confirm that, during the implementation period, we will be free to sign international trade agreements?

The Prime Minister: That is certainly what we intend to put in place. We will have the details of the implementation period confirmed fairly soon, but we are clear that we need to be able to sign those trade agreements during that implementation period.

Clive Efford (Eltham) (Lab): Are there any circumstances in which, following the transition period, we would make a financial contribution to the European budget in order to have access to any markets?

The Prime Minister: No. One of the key elements of the first stage of negotiations was the financial settlement, and the details of that were set out in the joint report we published in December. We have said that if we chose to be a member of any agencies, such as on the security front—I have cited Europol in the past—we would of course expect to pay some costs of membership of those agencies, but we have agreed that financial settlement with the European Union.

Huw Merriman (Bexhill and Battle) (Con): In her message to the European Union, the Prime Minister rightly said that we have a shared interest with it in getting this right. Does she agree that the 498 MPs who gave her the mandate to trigger article 50 have a shared interest in putting the national interest first?

The Prime Minister: My hon. Friend is absolutely right. As well as Parliament voting overwhelmingly to give people the referendum, it also voted overwhelmingly to trigger article 50, and every Member of this House should be behind the Government as we do what we are doing, which is delivering on that.

Thangam Debbonaire (Bristol West) (Lab): What assessment have the Prime Minister and her colleague, the Secretary of State for Exiting the European Union, made of mitigating the impact of leaving the customs union on the creative industries, which are so important to my constituency?

The Prime Minister: I referred to the creative industries in my speech, and particularly to broadcasting, and the arrangements that we want for the future.

Martin Vickers (Cleethorpes) (Con): I echo the words of my hon. Friend the Member for Brigg and Goole (Andrew Percy) about voters in the north. The voters in our coastal communities were even more supportive of Brexit, and the memories of the original negotiations when the fishing industry was sold out linger on, which is one of the reasons for the heavy vote to leave. My right hon. Friend speaks about the fairer allocation of fishing opportunities; can she give us an absolute assurance that that will mean that the British fishing industry will always be paramount?

The Prime Minister: Yes. I am well aware of the concern in many fishing communities about the common fisheries policy, and as I said in my speech and repeated in my statement, we will make absolutely sure that we see fairer allocations for the UK fishing industry in the future.

David Hanson (Delyn) (Lab): I support the Prime Minister's objectives for Northern Ireland, but given the absence of a customs union, will she give us more

[David Hanson]

detail about what will happen to the hundreds of lorries that go each day from Dún Laoghaire in Ireland to Holyhead, from Larne in Northern Ireland to Stranraer in Scotland, and from Belfast to Liverpool, because that is still not clear to the businesses running those operations?

The Prime Minister: It is precisely because the movement is not just between Northern Ireland and Ireland, but between Ireland and other parts of the United Kingdom, that we believe the right way to approach this is to find a solution in our relationship with the European Union overall. That is precisely why it was right for me to say that we did not accept the European Commission's proposal, which would have meant a border down the Irish sea.

Richard Drax (South Dorset) (Con): My hon. Friend the Member for Cleethorpes (Martin Vickers) has rather stolen my thunder, but I would still like to press the Prime Minister on the fishing question. Once we get our fishing waters back, as I understand we will, will it be our sovereign Government who decide exactly who fishes in our waters?

The Prime Minister: Yes, we will be an independent member of the body that negotiates and discusses access to waters, and it will be this Government who determine our fisheries policy.

Peter Grant (Glenrothes) (SNP): On 24 January 2017, the Brexit Secretary assured us that we were going to get “a comprehensive free trade agreement and a comprehensive customs agreement that will deliver the exact same benefits as we have”.—[*Official Report*, 24 January 2017; Vol. 620, c. 169.]

It is clear from the Prime Minister's speech last week and her statement today that that promise has been broken, unless she has invented some kind of Schrödinger's customs union that we can be in and out of at the same time. Why should anyone else in the world trust this Government to negotiate trade deals in good faith when this Parliament cannot even trust assurances made by her Secretary of State at the Dispatch Box?

The Prime Minister: We will indeed be negotiating a comprehensive free trade agreement. That is the economic partnership that I set out in my speech. Within that, we will have a comprehensive customs arrangement that will enable us to continue to trade with the European Union on as tariff-free and frictionless a basis as possible.

Matt Warman (Boston and Skegness) (Con): I welcome the subtle and detailed approach to Brexit that the Prime Minister laid out in her speech. As she well knows, the issue of immigration was crucial in seats such as mine. Can she remind hon. Members that, as we leave the European Union and as freedom of movement ends, it will fall to this House to draw up our immigration policy in the future?

The Prime Minister: I can absolutely confirm to my hon. Friend that it will be for Parliament to decide what our immigration policy is for the future.

Justin Madders (Ellesmere Port and Neston) (Lab): Vauxhall motors in my constituency is fighting for survival, and we desperately need future trading arrangements in the automotive sector to be no less favourable than they are now. Can the Prime Minister give a guarantee on that today?

The Prime Minister: I set out very clearly in my speech on Friday why I separated goods trade from other areas of trade with the European Union. I have also set out how we can ensure that we maintain the integrated supply chains that are currently so important to industries such as the automotive industry.

Ruth Cadbury (Brentford and Isleworth) (Lab): We read in the *Financial Times* today that the United States

“is offering Britain a worse ‘Open Skies’ deal”

than the one we currently have as an EU member. Is that not a precursor to the hundreds of deals that the UK will have to negotiate once we leave the EU?

The Prime Minister: No. We are discussing with a number of countries around the world how we can improve our trade arrangements with them even before we have left the EU and how we can get into the position of having a free trade agreement with those countries.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Following the Prime Minister's speech on Friday, she was asked by a journalist, “Is Brexit worth it?” She failed to give a direct answer; will she answer today? Is Brexit worth it: yes or no?

The Prime Minister: Yes.

Kirsty Blackman (Aberdeen North) (SNP): The Prime Minister finds herself between a rock and a hard place—or perhaps between two brick walls—when she talks about not agreeing with any of the three trade scenarios put forward in the Government analysis. She has plans for a bespoke deal that will not be any of those scenarios, so does she expect GDP to be hit or to increase in her bespoke scenario, and by how much?

The Prime Minister: We have said all along that we are looking for a bespoke trade deal with the European Union. We have said all along that that will recognise the integrated nature of the UK's markets with the EU's markets at the moment, but also that we will be able to continue to trade around the rest of the world. As for growth, I am pleased to say that growth has actually been up, in recent figures.

Daniel Zeichner (Cambridge) (Lab): I think the Prime Minister has acknowledged that there will be costs to this process, but most people ask this reasonable question when incurring a cost: “How much?” The Government have made some projections, so if we randomly say that there will be a 4.8% cut to GDP, will she explain how much that would mean for every man, woman and child in this country?

The Prime Minister: As I said in answer to one of the hon. Gentleman's hon. Friends earlier, the analysis that was set out did not include an analysis of the sort of trade deal that we are looking to negotiate with the European Union.

Nic Dakin (Scunthorpe) (Lab): I thank the Prime Minister for speaking to President Trump about his outrageous desire to slap punitive tariffs on UK steel and aluminium. What did he say, and what will she do, working without the EU27, both now and in the future, to ensure that such protectionism does not prosper in this world?

The Prime Minister: I was pleased to have the opportunity to raise the issue with President Trump yesterday. Of course, as current members of the EU, we continue to discuss with the EU what approach is being taking in relation to steel, but when we are outside the European Union, we want to continue to be a country that promotes free trade but recognises the overcapacity in steel at the moment. My response is clear: as I said at the G20, and as the G20 has actually adopted, we need a multilateral approach to deal with that overcapacity, and that is what we will continue to promote.

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): In the light of the US President's move to impose tariffs on steel and aluminium imports, will the Prime Minister rethink her strategy for a free trade deal with the US following Brexit? Will she act now to ensure that our steel industry is not plunged into crisis once more?

The Prime Minister: This Government have taken a number of steps over recent years to help support the steel industry. As I have said, I have raised the issue with President Trump, and we continue to discuss it within the European Union. There is this issue of overcapacity in the steel market around the world, which is why the issue has been raised at the G20. Bringing China into discussions around this is an important element of that, and I continue to believe, as I just said to the hon. Member for Scunthorpe (Nic Dakin), that the right way to approach the issue is to deal with it on a multilateral basis.

Alan Brown (Kilmarnock and Loudoun) (SNP): If the Prime Minister is really so confident about getting a multi-layered, customs-type arrangement—the cherry-picked deal that she is looking for—will she explain the purpose of the Haulage Permits and Trailer Registration Bill?

The Prime Minister: That particular Bill is, of course, a contingency Bill. Members on both sides of the House ask us to ensure that we make contingency arrangements for every scenario, and that is exactly what we are doing.

Martin Whitfield (East Lothian) (Lab): Thirty-nine bottles of Scottish whisky are exported abroad every second. As the seconds tick by until our departure, can the whisky industry look forward to the same benefits as now, or will it be in a worse position?

The Prime Minister: I believe that the Scotch whisky industry will be in a better position when we are able to have trade deals with countries across the rest of the world. I was very pleased to take a representative of the Scotch Whisky Association with me on my recent trip to China, which is a huge market that could open up to Scotch whisky.

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): The UK already has some of the most unbalanced regional growth of any country in Europe, and the Prime Minister's own Brexit analysis suggests that any deviation from the benefits of the single market and the customs union will only exacerbate that problem. Does she not agree that that is a dereliction of duty and that she should undertake to ensure there is no detriment to the nations and regions of the UK as a result of exiting the European Union?

The Prime Minister: Not only will we ensure that we have an exit from the European Union that works for the whole United Kingdom, but as I said on the steps of No. 10 when I first became PM, we want a country that works for everyone, which means every part of the United Kingdom. This is a Government who, through our industrial strategy and our economic policy, are ensuring that we will see growth and prosperity in every part of the United Kingdom.

Karin Smyth (Bristol South) (Lab): The Prime Minister said today that no one should doubt our commitment to the entirety of the joint report published in December. With regard to Ireland, paragraph 47 of the joint report stated:

“The two Parties have carried out a mapping exercise, which shows that North-South cooperation relies to a significant extent on a common European Union legal and policy framework.”

Will she commit to publishing that mapping exercise?

The Prime Minister: We have done a number of pieces of work in relation to the border between Northern Ireland and Ireland, looking at the institutions and the structures that currently exist. I said in my Lancaster House speech that, as and when we are able to do so, we will talk about the next stage of our negotiations. We stand by the joint report, and I set out on Friday more detail of the proposals that will meet exactly what was in that report in relation to the border.

Jim Shannon (Strangford) (DUP): I commend the Prime Minister for her courage and fortitude in standing firm. The Republic of Ireland and the EU have made suggestions for a border within the customs union. The people of the United Kingdom of Great Britain and Northern Ireland have voted to leave the EU and the customs union in March 2019, so can the Prime Minister confirm that, should the Republic of Ireland and the EU refuse to make an agreement, it will be the EU, and not the UK of Great Britain and Northern Ireland, who will be responsible for hard border controls?

The Prime Minister: We are, of course, clear that we will ensure that there is no hard border between Northern Ireland and Ireland, but we should approach it by saying that this is something for us to discuss with the European Commission and the Irish Government, because it is in all our interests to ensure there is no

[The Prime Minister]

hard border. It is also in the interests of the Irish Government to ensure there is no border down the Irish sea, given the extent of trade between the rest of the United Kingdom and Ireland. It is for all of us to work together on this.

Christian Matheson (City of Chester) (Lab): I have listened to the answers today, and I respectfully suggest to the Prime Minister that the policy of vague sloganising and keeping her fingers crossed that everything will be all right is simply insufficient. Will she confirm that no deal we get from the proposed solutions she has identified will be more advantageous, financially or economically, than our current position?

The Prime Minister: The hon. Gentleman talks about vagueness and lack of clarity. Last year, we published 14 separate papers setting out the UK Government's proposals on a number of aspects of our future relationship and on our withdrawal from the European Union. We have been making the running in setting out our proposals—through the Lancaster House speech, through the article 50 letter, through those papers published in the summer and through the Florence speech, the Munich speech, and now the Mansion House speech. We wait to hear the response from the European Union, but I am optimistic that we are going to get a deal that works for the UK. I am optimistic about this country because of the actions being taken by this Government.

National Planning Policy Framework

5.14 pm

The Secretary of State for Housing, Communities and Local Government (Sajid Javid): With permission, Mr Speaker, I wish to make a statement on planning reforms that will help to get our country building and deliver the right homes, in the right places, of the right quality—it cannot happen soon enough. An entire generation are the victims of a housing crisis as prices and rents race ahead of supply. In 2017, the average house price in England was nearly eight times the average income, and families in their early 30s are half as likely as their parents to own their home. This does not just hold these people back—it holds our country back. For young people in this country, it is, frankly, disheartening, when they do not see that their hard work is being rewarded, and they see the dream of a home of their own, which is something our parents took for granted, remaining just that—a dream. In those circumstances, it is hard for people to feel that they have a stake in society, and we all lose out when that happens.

That is why this Government have taken action on all fronts to turn this situation around, and those efforts are starting to bear fruit. We inherited a situation in 2010 in which annual house building had fallen to its lowest level in peacetime. Since then, we have delivered more than 1 million homes, and last year saw an increase in housing supply in England of over 217,000 new homes. That is the biggest increase in annual housing supply in all but one of the past 30 years, with planning permissions on a high and set to boost these numbers even further.

We have helped hundreds of thousands of people on to the housing ladder through Help to Buy. We are working to encourage landlords to offer longer tenancies and promoting more homes for rent on a family-friendly basis, with three-year tenancies in our build-to-rent schemes. We are cracking down on rogue landlords and the abuse of leaseholds, and we are taking steps to make renting fairer and to tackle homelessness through earlier intervention. We have launched a new, more assertive national housing agency, Homes England. We have launched an independent review, led by my right hon. Friend the Member for West Dorset (Sir Oliver Letwin), into the gap between planning permissions granted and homes actually built. We are putting billions into the affordable homes programme, and we are delivering essential infrastructure through the new housing infrastructure fund.

We know, however, that there is still a lot more to do to deliver 300,000 homes a year in England by the middle of the next decade. Of course, planning is an important part of that journey, and today we are taking the crucial next steps with the launch of consultations on the revised national planning policy framework and on the reform of developer contributions. These are measures that set out a bold, comprehensive approach for building more homes, more quickly, in the places where people actually want to live—homes that are high quality and well designed that people are proud to live in and proud to live next door to and that are at the heart of strong, thriving communities. There will be much clearer expectations on local authorities and

developers to deliver their commitment to unlock land, fulfil planning permissions, provide essential infrastructure, and turn those dreams of a decent, secure, affordable home into reality.

The revised NPPF implements around 80 reforms that we announced last year and retains an emphasis on development that is both sustainable and locally led, but it also involves a number of significant changes. For the first time, all local authorities will be expected to assess housing need using the same methodology—that is a big improvement on the current situation in which different councils calculate housing need in different ways, wasting time and taxpayers' money. A standardised approach will establish a level playing field and give us a much clearer, more transparent understanding of the challenge we face. But perhaps one of the biggest shifts is a change in culture towards a focus on outcomes achieved—the number of homes delivered in an area—rather than on processes such as planning permissions. As it becomes easier to make plans more streamlined and strategic, this culture change will encourage local authorities to work together to meet their communities' needs.

We are also confirming the important protections of neighbourhood plans—plans that are produced by local communities—which we introduced in December 2016 to guard against speculative applications. And we are going further, beyond the reforms we previously consulted on. We are giving local authorities the tools to make the most of existing developed land, with an even stronger drive for increasing density, particularly in areas where housing need is high. We will support those councils that wish to build upwards, but not at the expense of quality—high design standards that communities are happy to embrace will remain a priority.

The reforms also include more flexibility to develop brownfield land in the green belt to meet affordable housing need with no harm to the openness of the green belt. Even the mention of the words “green belt” may cause some concern, but let me assure right hon. and hon. Members that this is about building homes on sites that have previously been developed, not about compromising in any way existing protections that govern the green belt. Our green spaces are precious and deserve our protection, which is why the Government are also delivering today on our manifesto commitment to give stronger protection to ancient woodland, which demonstrates that we do not have to choose between improving the environment and delivering the homes we need—we can do both.

We are raising the bar across the board. We are protecting our natural world and making local authorities more ambitious and accountable so that places such as London no longer deliver far fewer homes than they need. In areas such as the capital, where demand and affordability are going in different directions, it is especially important that there should be less talk and more action—action that is more strategic and more realistic about housing need, with stronger leadership to bring people together across sectors and boundaries.

That said, the issue is not all about local government. Developers must also step up to help us to continue to close the gap between planning permissions granted and homes built. In doing so, it is vital that developers know what contributions they are expected to make towards affordable housing and essential infrastructure,

and that local authorities can hold them to account. However, we all know of instances of developers making such promises but later claiming that they cannot afford them. In truth, the current complex and uncertain system of developer contributions makes it too easy for them to do just that, and it puts off new entrants to the market. That is not good enough, which is why we propose major reforms to developer contributions.

As part of our reforms, areas will be able to agree a five-year land supply position for a year, reducing the need for costly planning appeals involving speculative applications. I also recognise that swift and fair decisions are important at appeal, so I will shortly announce an end-to-end review of the planning appeal inquiries process with the aim of seeing what needs to be done to halve the time for an inquiry to conclude, while ensuring that the process remains fair.

There are other areas where we are considering pushing boundaries to really boost housing supply, including a new permitted development right for building upwards to provide new homes, and by finding more effective ways of supporting farmers to diversify and support the rural economy. The strong focus throughout is on making sure that we are exploring all avenues to meet everyone's housing needs. That could mean implementing an exception site policy to help more people on to the housing ladder; giving older people a better choice of accommodation; promoting build to rent; or encouraging local policies for affordable homes that cater for essential workers such as our nurses and police.

By giving everyone—whether they are renting or buying, in the social or private sector—a stake in our housing market, we give everyone a stake in our society. That is why I encourage right hon. and hon. Members, and anyone who wants to see today's generation enjoy the same opportunities as their parents, to get involved and contribute to the consultations that we have announced today. They will run until 10 May, and I look forward to announcing the implementation of the national planning policy framework in the summer.

I am confident that the bold and ambitious measures that we are proposing will have a huge impact not just on the number of homes built but, ultimately, on people's prospects and our prospects as a country. They will ensure that local authorities or developers can no longer be in any doubt about where they stand, what is expected of them and what they must do to help to fix our broken housing market and deliver the homes that the people of this country need and deserve. I commend this statement to the House.

5.23 pm

Dr Roberta Blackman-Woods (City of Durham) (Lab): I begin by thanking the Secretary of State for early sight of his statement.

Today, once again, we have seen the Government bringing forward proposals that tinker with the planning system in yet another vain attempt to look as though they are doing something about the housing and infrastructure crisis that the country is facing, which is largely of their making. Let us be clear about the scale of the problem. Many communities up and down the country do not have the homes that they need. Since 2010, the number of rough sleepers in England has nearly trebled from 1,700 to almost 5,000 last year. The number of households living in temporary accommodation

[Dr Roberta Blackman-Woods]

has also risen almost continuously since 2010, with the latest stats showing that there are 79,000 households in temporary accommodation, including 121,000 children. For many areas, wages-to-mortgage differentials are as high as one to 10, leaving those on or below average wages unable to afford to buy a house of their own—that is happening under a Tory Government.

New house building rates have, for many years, been only half of what we need, and nowhere near the 300,000 homes needed to keep pace with demand. Planning needs to deliver not only new homes, but new communities. Planning should be about designing places in which people want to live and work where there are environmental and leisure amenities, and where quality of life is high on the agenda, but the Government are failing at that, too.

As the Local Government Association has pointed out, planning departments have borne the brunt of cuts to local government, leaving many hugely under-resourced to meet the everyday tasks of assessing planning applications, building control and place-based policy-making. This results in poor planning and a lack of engagement with the communities that are most affected by planning decisions. As the Conservative chair of the LGA, Lord Porter, has said, the problem is not about planning and planning permissions. In the past year, councils and their communities granted nearly twice as many planning permissions as the number of new homes that were completed. More than 423,000 homes with planning permission are still waiting to be built. The truth is that councils are approving nine in 10 planning applications, which shows that the planning system is not a barrier to building, so the Government's proposal of stripping councils of their right to decide where development takes place is not only unhelpful, but misguided.

The increase in permitted development, as set out in today's proposals, takes the community voice out of planning altogether, so that the general view of people is that planning is something that is done to them, not something that they have any say in whatsoever. By contrast, Labour wants to empower communities, putting them at the heart of decision making, with neighbourhood plans central to a new streamlined system of plan making. What we need is a radical approach to deliver 21st century communities, and that is what Labour would do. We would invest in a new generation of garden cities and new towns, putting local councils in the driving seat of spearheading new settlements, unlike the Conservative party, which has talked warm words about new towns and garden cities for many years but, despite more than seven years in office, has barely produced enough homes for a new street, never mind a new town. The Secretary of State has said that

"along that corridor, there is an opportunity to build at least four or five garden towns and villages."

What does he mean by "along that corridor"? How long will it take for us to see the start of a new settlement, never mind it being built?

Labour will look at the Government's proposals in detail, but we know that we need something much bolder than what we have seen today. I am talking about real policies to address land banking, as set out in our Lyons report almost a decade ago, with incentives for

timely delivery and sanctions on developers whose build-out rate is too slow. We need a reformed planning system that puts communities and brownfield first and does not bypass local people with more and more permitted development and a lack of involvement in policy making.

We also need a robust policy platform that addresses not just the quantity of new homes, but their quality, and that delivers the infrastructure they need to work as sustainable and inclusive communities. An investment programme in local authority housing is needed, so that good-quality housing can once again be provided for working people, not at the Government's inflated "affordable" rents, but at social rents that people can afford. We will make viability assessments transparent, so that developers cannot avoid their obligations to deliver affordable housing and other community benefits.

We have a vision of a built environment for the future, not a set of outdated measures that have so spectacularly failed to deliver in the past. If the Secretary of State really wants to spearhead a housing revolution, he will need to do much better than this.

Sajid Javid: The hon. Lady started by saying that many communities do not have the homes that they need—I agree. I have been saying that for a long time, which is why we have been taking action on many fronts and why we have announced this action today. Let us explore what the hon. Lady meant, because she cannot ignore the huge role that the Government of which she was a part, formed by the party that she supports, played in the housing crisis facing this country.

From 1997 to 2010, the average house price rose from three and a half times average earnings to seven times such earnings. That is Labour's legacy. Labour, more than anyone else, has created that crisis of unaffordability. When the shadow Secretary of State was Housing Minister, house building fell to its lowest level in our peacetime history since the 1920s, and social housing fell by 421,000 units. We will not take any lectures from the Opposition about how to deal with a housing crisis that they helped to create. Their policies are about rent controls and the requisition of private property. They have no ideas.

The hon. Lady is right that there is an issue with resources in planning departments, but she is also wrong, because we have already dealt with that issue. Perhaps she did not notice that local authorities are able to increase their planning fees by at least 20% as long as that money is put back into their planning departments. That measure has been welcomed not just by local authorities, but throughout the industry.

The hon. Lady says that the planning process is not part of the problem, but she has clearly not been listening to what the problem is. She has not been out there talking to local authorities and developers, or finding out what communities actually think. If she had, she would know that local authorities in England are together planning for 169,000 houses a year, which is nowhere near the number that we need. We need a change in the formula, so that we get the right number of homes in the right places.

The hon. Lady talked about the importance of giving communities a greater say. That is great, because this is the first time that I have heard that she is supporting our neighbourhood planning process—thank you very much. She also talked about garden cities, towns and villages,

and she was right, so I thank her again for supporting our policy, as that is exactly what we are proposing up and down the country. Lastly, she mentioned that brownfield land must be the priority. Again, that is our policy—thank you very much for your support.

John Redwood (Wokingham) (Con): Wokingham Borough Council, the unitary authority in my area, has issued a very large number of planning permissions—well above its five-yearly amounts under the plan—but the build rate has not always been high enough. Will the Secretary of State help such local authorities through experiments to find ways of increasing the build rate, so that homes are built where they are agreed to be built, rather than granting on appeal houses elsewhere where there would not be the same infrastructure contribution and the same ability to fit in with the plan?

Sajid Javid: My right hon. Friend raises a real and important issue, which he knows I have discussed with his local authority. The measures subject to the consultations that we are announcing today will certainly help with that problem. I hope that my right hon. Friend the Member for West Dorset will provide further help when he reports back on the work that he is doing.

Deidre Brock (Edinburgh North and Leith) (SNP): While there is always more to do, in Scotland the SNP has led the UK on housing, delivering nearly 71,000 affordable homes since 2007—a supply of affordable housing that is a third higher per head of population than in England. Has the Secretary of State learned any lessons from the SNP Government’s successful building programme?

Scrapping the right to buy has allowed the Scottish Government to improve our council housing stock. Over the past five years, more council houses for social rent have been delivered across 32 local authority areas in Scotland than across 326 local authority areas in England. Will the Secretary of State, rather than extending the right to buy, further reducing housing supply, follow Scotland’s lead and abolish it?

The PM has complained about people being unable to buy houses. Does the Secretary of State regret the fact that his Government’s Housing and Planning Act 2016 downgraded the term “affordable housing” no longer to take account of what people can afford?

Sajid Javid: The hon. Lady asked whether the Government have learned anything from the Scottish National party’s approach to housing. The answer is no. She asked about the right to buy. Again, we have not learned anything from the SNP on that, because it follows exactly the wrong policy. We believe that it is a good thing to allow people to buy their homes.

Dame Cheryl Gillan (Chesham and Amersham) (Con): I welcome my right hon. Friend’s statement and look forward to contributing to the consultation. Can he reaffirm the assurances given to me by the Prime Minister that the strongest possible protections for areas of outstanding natural beauty and for green-belt and designated land will continue—for example, in my constituency, which is 80% green belt and 72% AONB? Can he assure me that he will consider the fragility of such special landscapes and protect them, not just for the people who live in the area but for the tens of thousands of visitors who come to the Chilterns from urban areas to enjoy the countryside?

Sajid Javid: I can give my right hon. Friend the assurances that she seeks, because I stand here not just as Housing Secretary but as the Member of Parliament for Bromsgrove—a constituency that is 92% green belt, so I do understand the issues. I hope that she will welcome the changes that we have put into the consultation to make it absolutely clear that there must be a brownfield-first policy and that before any local authority can even consider green belt, it must demonstrate that it has looked at all other viable alternatives.

Caroline Flint (Don Valley) (Lab): The Secretary of State’s proposals allow councils to require a development to start within two years. I welcome that, but a start is not a completed home. Will he consider giving councils the power to set annual house completion deadlines when they grant planning consent? Will he reassure me that councils will be able to require fibre-to-home broadband on all developments to replace the outdated copper service that too many owners of newly built properties have to accept?

Sajid Javid: We have been very concerned about speed of development from planning permission to home, and the measures announced today will help with that. I also await the outcome of the independent review that has already begun. On broadband, I absolutely accept the need to make sure that all homes—existing homes, of course, and certainly all our new homes—have access to the best possible broadband. We are working very closely with the Department for Digital, Culture, Media and Sport on that.

Sir Geoffrey Clifton-Brown (The Cotswolds) (Con): I draw attention to my entry in the Register of Members’ Financial Interests. I congratulate my right hon. Friend on his statement because I know that this is not an easy area, having practised in it professionally. Recently, I sent out a survey to 12,000 households in Cirencester. They told me in large numbers that they wanted more affordable housing and, above all, more infrastructure to meet the huge development that they are about to have. What can he say about developers’ contributions to meeting my constituents’ aspirations?

Sajid Javid: I thank my hon. Friend for his comments. He is absolutely right to raise this issue. The private sector plays a huge role in infrastructure and provision of affordable homes, especially when it carries out the so-called viability assessments. We are not happy with the way that that process has worked, and that is why we started the consultation on it. At the end of that consultation, I believe, will be an outcome where we are much more easily able to hold the developers to account and make sure that they will actually deliver what they said right at the start.

Ms Karen Buck (Westminster North) (Lab): Does the Secretary of State agree with the Conservative leader of the Local Government Association, Gary Porter, who said this weekend:

“If we want more houses, we have to build them, not plan them”, and that the Ministry of Housing, Communities and Local Government needs to “push back against” the Treasury,

“or the nonsense will go on and nothing will change”?

[Ms Karen Buck]

If he does agree, why has he allowed affordable housing funding from his Ministry to be handed back to the Treasury, rather than spent on critically needed affordable homes?

Sajid Javid: I agree that to build the homes we need, we need to plan them properly, and that is what these reforms are about. The hon. Lady suggested that the Ministry handed money back. Among the underspend that she and her hon. Friends have mentioned was £65 million that was returned by the Greater London Authority because it did not spend it. That money was returned by the Mayor of London, so perhaps she wants to ask him why he returned funding.

Theresa Villiers (Chipping Barnet) (Con): One of the first actions taken by the Conservatives when they returned to government in 2010 was to introduce greater planning protection for back gardens. Will the Secretary of State assure the House that there is nothing in his announcement today that will in any way undermine that or encourage garden-grabbing development?

Sajid Javid: First, may I wish my right hon. Friend a very happy birthday? I can reassure her that what we have set out today is very much focused on brownfield first, and the protections we have set out in the past for gardens remain in place.

Layla Moran (Oxford West and Abingdon) (LD): Before the Government go ahead with new garden towns between Oxford and Cambridge, will they commit today to a full public consultation on both the corridor and the route for the Oxford-to-Cambridge expressway?

Sajid Javid: What was last said on that, by the Chancellor at the Budget, has not changed. We have accepted the recommendation of the National Infrastructure Commission of up to five new garden towns and villages along the corridor. We have not yet decided exactly how that will be done or where they will be. Obviously, the placement of the infrastructure that goes alongside that is important, and I can reassure the hon. Lady that as we work on that, Parliament will be involved.

John Howell (Henley) (Con): I welcome the Office for National Statistics methodology for determining housing need, as originally set out in the Local Plans Expert Group, of which I was a member. Will the Secretary of State confirm whether there have been any changes between the original formula and the formula that will now go into guidance?

Sajid Javid: I thank my hon. Friend for all the work he has done on planning and all the advice he continues to provide. I can assure him that the formula we have set out today in the draft NPPF is no different from the one that was set out in the September consultation.

Siobhain McDonagh (Mitcham and Morden) (Lab): There are 19,334 hectares of unused, unloved, ungreen green-belt land around London's train stations—enough to build 1 million homes. On the day that the *Daily Mirror* announced that £1.1 billion was spent on horrible temporary accommodation last year, is it not right that that land should be used to provide homes in the areas people want to live in?

Sajid Javid: It sounds like the hon. Lady agrees with the consultation and what we have set out, particularly the priority of brownfield land. In fact, we have also set out in the draft NPPF the ability to set minimum density requirements around major transport hubs.

John Penrose (Weston-super-Mare) (Con): While encouraging people to build up, not out, through changes to planning guidelines is certainly welcome, does the Secretary of State agree that it will not be enough to solve Britain's housing crisis on its own? When does he expect to bring forward the changes he mentioned to permitted development, and will they be broad, brave and radical enough to cut through the red tape that is holding Britain's builders back?

Sajid Javid: I thank my hon. Friend for the work he has done, particularly on density and building upwards. We have set out the detail on permitted development rights today, and we hope to bring that forward as soon as possible.

Matthew Pennycook (Greenwich and Woolwich) (Lab): I welcome the push for simplification and increased transparency on viability assessments, but it is hard to see what they will do for London boroughs such as Greenwich, where the publication of such assessments is already mandatory. At the heart of this matter is the issue of developer returns. Given the scale of the housing crisis in London, does the Secretary of State really think it is acceptable that developers use viability assessments to drive down levels of affordable housing simply because to do otherwise would limit their profits to below 20%?

Sajid Javid: I do not think it is acceptable that developers do not meet the commitments they set out at the start. Particularly in London, we have seen too many examples of where a particular percentage of a development was set out for affordable housing and that was not met, based on the way in which the assessment process currently works. That is why I hope the hon. Gentleman will support the process we have set out today, which will have greater standardisation and much more transparency.

Nick Herbert (Arundel and South Downs) (Con): We need more housing, and neighbourhood planning has produced more houses than expected. Does my right hon. Friend agree that speculative development can undermine democratically agreed neighbourhood plans, and will his proposals ensure that the neighbourhood plans are upheld?

Sajid Javid: My right hon. Friend should be reassured that what we have set out today gives greater strength to neighbourhood plans. He makes a very important point. We have found with neighbourhood plans that when we give communities a bigger say, in many cases they actually accept even more development. So far, we have found that that is, on average, about 10% more development.

Caroline Lucas (Brighton, Pavilion) (Green): In 1909, Winston Churchill spoke in favour of a land value tax, saying that landlords sit on it and basically do nothing while public money is used to enhance an area and the land value increases. Today, developers are again sitting on almost 1 million housing plots and drawing rewards

for being idle, while young people face a lifetime of housing insecurity and high prices. Is it not time for the Government to look again at the benefits of land value taxation?

Sajid Javid: The hon. Lady may be interested in the consultation on developer contributions that we have set out today. I am sure she will agree that developer contributions are a type of tax on developers, because they are expected to provide infrastructure or affordable housing, and in some cases both. If she is really interested in this issue, I urge her to look at that consultation.

Crispin Blunt (Reigate) (Con): I thank my right hon. Friend for his answer to our right hon. Friend the Member for Chesham and Amersham (Dame Cheryl Gillan), which was that councils will be able to amend green-belt boundaries only if they can prove that they have fully explored every other reasonable option for building the homes that their community needs. Will he, however, confirm that the new national planning policy framework goes even further, explicitly saying that housing need does not trump issues such as areas of outstanding natural beauty, sites of special scientific interest and the green belt, so councils cannot be forced to amend their green-belt boundaries by the Planning Inspectorate in those circumstances if they do not wish to do so and they have explored every other option?

Sajid Javid: The assurance I can give my hon. Friend is that what we have set out today makes it absolutely clear—even clearer than before—that brownfields should be the absolute priority, and any council wanting to look beyond brownfield must demonstrate that it has looked at all other reasonable opportunities, but this puts councils in control of how exactly they meet their need. When my hon. Friend has the opportunity and time to go through this in more detail, I hope he will be even more reassured.

Lucy Powell (Manchester Central) (Lab/Co-op): Is it not the case that, in high-demand, high-price areas such as Manchester city centre, the measure of affordability is not really affordable for many local residents—that is why we have our own assessment of what affordability is in Manchester—and that to deliver truly affordable homes, we need more state intervention and more Government money, and we need to allow local government to borrow in order to build?

Sajid Javid: I have to disagree with the hon. Lady in that this is not all about more Government money. First, Government money for affordable housing has increased: we increased the budget last year from £7 billion to £9 billion. Government money of course has a role to play, but I hope she will agree that the only way to get houses that are truly affordable in this country—whether in Manchester or elsewhere—is to increase supply and make sure that it is increased at a sustainable level.

Robert Neill (Bromley and Chislehurst) (Con): I welcome my right hon. Friend's confirmation to our right hon. Friend the Member for Chipping Barnet (Theresa Villiers) that these reforms will not diminish the national policy protection for back gardens. Perhaps he will remind the Mayor of London that any amendments he proposes to the London plan are subject to that national policy.

Sajid Javid: I will certainly be reminding the Mayor of London of a number of things, especially as he recently published his draft London plan, which I do not think is ambitious enough. I do not think it is realistic, so I will take the opportunity when I discuss it with him to also remind him of my hon. Friend's point.

Dr David Drew (Stroud) (Lab/Co-op): Does the Secretary of State accept that one way to provide affordable housing is through local authorities? They are not asking for more grants; they are just asking to be able to borrow more where they have the asset base, to allow them to solve the problem of affordability in their areas. Does he agree with that?

Sajid Javid: I agree with the hon. Gentleman that local authorities have an important role to play, and not just in the planning system. We welcome local authorities wanting to develop more council houses, which is one reason why in the recent Budget the Chancellor increased local authorities' ability to borrow by £1 billion.

James Morris (Halesowen and Rowley Regis) (Con): I thank the Secretary of State for his statement. In the context of his reforms, can he reassure residents in Halesowen of the absolute continuation of protection for the green belt in his proposals, in particular around "exceptional circumstances"? Local authority planners have often used it in a loose way to justify changes to green belt boundaries. Does he agree that we need a rigorous way of defining what we mean by exceptional circumstances when it comes to redefining the green belt?

Sajid Javid: I can give my hon. Friend some reassurances on that. We have been clear and have set out, I think for the first time, all the hurdles that need to be cleared to meet the definition of exceptional circumstances. Brownfield is an absolute priority, and we have talked about the importance of density and making sure that neighbouring authorities have been talked to, with a statement of common ground. I can give my hon. Friend an assurance that the green belt retains maximum protection.

Andy Slaughter (Hammersmith) (Lab): For two years, the Secretary of State has failed to determine the future of the Earl's Court development, one of the biggest in the UK. The choice is between demolishing 750 council homes and building luxury homes with only 10% so-called affordable and no new social housing, and letting the existing residents keep their homes and develop the rest of the site for new social homes. It should not be that difficult a choice, so could we have some action and not just words?

Sajid Javid: I cannot comment on that particular planning proposal—it is a live proposal—but the hon. Gentleman should reflect. If he truly supports more homes and developments in London, perhaps he should have a chat with the leader of his party and ask why they intimidate Labour leaders who want to increase the number of homes in their areas.

Sir Desmond Swayne (New Forest West) (Con): Is the Secretary of State satisfied with the balance of power between developer and purchaser when new builds turn out to be seriously defective?

Sajid Javid: No, I am not satisfied, which is one reason why the Under-Secretary of State, my hon. Friend the Member for South Derbyshire (Mrs Wheeler) is conducting a review of the house buying process.

Kerry McCarthy (Bristol East) (Lab): I welcome the review of development controls, because at the moment far too many developers get away with making no contribution at all. May I ask the Secretary of State about land banking? He will be familiar from his days in Bristol with Oldbury Court estate in my constituency. An owner in the Channel Islands has been sitting on the site for 10 years, renewing planning permission but seemingly refusing to develop it. What can we do to ensure that developers build houses on the brownfield sites they own?

Sajid Javid: I empathise very much with the issue that the hon. Lady has raised. It is an issue in many local areas, not just Bristol. That is why, given the concern that we all share across the House, we have the independent review being undertaken by my right hon. Friend the Member for West Dorset. I do not want to pre-empt it, but I can assure her that it is a serious review and will lead to serious action.

Mr William Wragg (Hazel Grove) (Con): With specific reference to the Greater Manchester spatial framework, can my right hon. Friend reiterate the protections that are in place for the green belt and the need to pursue a vigorous brownfield-first policy? Will he also give further consideration to a county-based calculation of housing need?

Sajid Javid: When it comes to housing need, the approach that we plan to take is what we have set out today, but given that this is a draft consultation, I am happy to listen to any representations from my hon. Friend. I can also give him an assurance that the existing green-belt protections remain in place. In fact, when it comes to environmental protections we have gone even further in the draft NPPF. For example, the protection that we have given to ancient woodland is the highest ever.

Mr Jim Cunningham (Coventry South) (Lab): Excuse me, Mr Speaker; I have a problem with my voice tonight. Can the Secretary of State assure residents that they will have a meaningful say in development? He will know that we have had problems in Coventry in the Kings Hill estate, Cromwell Lane and Westwood Heath. I have already met him about that, and I hope for a date to meet his colleague. Can he give us an assurance that residents will have a stronger say and that their views will be taken into consideration?

Sajid Javid: The hon. Gentleman will understand if I do not talk about any particular planning application that is going through the process, but I can give him an assurance on local people and communities having a say. The consultations that we have set out today strengthen that, and one of the best ways for a local community to play a part is also to adopt neighbourhood plans.

Rebecca Pow (Taunton Deane) (Con): May I say a special thank you to the Secretary of State for the mention of ancient woodland today and the protections given to it? It is a very precious habitat. I wholeheartedly

support the ambition to deliver more homes. Does the Secretary of State agree that it is quite possible to have more houses but at the same time to look after the precious environment?

Sajid Javid: Yes, I very much agree with my hon. Friend. There is no need to trade-off between the two. We have shown through the consultations today that it is absolutely possible both to protect our environment and to deliver the homes that this country needs.

Alex Norris (Nottingham North) (Lab/Co-op): I bring excellent news for the Secretary of State from the city of Nottingham. We are ready to build the houses we need to; we just need him to remove the cap on Nottingham City Council's ability to borrow in order to do so. When will the cap be removed?

Sajid Javid: The £1 billion increase that the Chancellor set out at the last Budget will be from 2019, but if Nottingham has particular plans and wants to consider approaching us for a housing deal, it should do that.

Craig Tracey (North Warwickshire) (Con): I welcome today's statement, in particular the commitment to protecting the green belt. Can my right hon. Friend provide reassurance to my constituents, particularly in areas where significant development may be planned, that he will take steps to ensure that developers pay their share towards necessary infrastructure improvements, so that all local residents can benefit?

Sajid Javid: I can give my hon. Friend that reassurance. One of the two consultations today is specifically about developer contributions—something that has not been looked at for years and years. It will deal with the issue of where, particularly with large developments, certain promises are made at the start that are never kept. That is unacceptable, and we are going to take action.

Alison McGovern (Wirral South) (Lab): When I tell my constituents in New Ferry that the Secretary of State wants less talk and more action, they will not know whether to laugh or cry. We have been trying to build homes in New Ferry since the terrible blast last year, and we have had little action from the Government. That is why the Metro Mayor for Liverpool, Steve Rotherham, and I wrote to the Secretary of State on 13 February asking him to do more. He has not replied. What on earth is going on?

Sajid Javid: The hon. Lady may be aware of this—if she is not, I am sure it will be welcome news—but Homes England is discussing with her local authority exactly how it could help. I hope that is something she supports.

Mark Pawsey (Rugby) (Con): The Secretary of State will know that Rugby is playing its part in delivering the homes the country needs from his visit to Houlton, a site of 6,200 new homes, planned and structured on a brownfield site. That is happening because Rugby has always placed a high priority on plan making, with the current plan under examination. Can he confirm that the new standardised approach to assessing housing need will not require any further changes?

Sajid Javid: First, I have been very impressed by Rugby's approach. In many ways, it leads the way in showing what can be done to get the most out of previously developed land. I can confirm that the new approach to how housing need is assessed will apply to local authorities as they continue to develop plans. In other words, if they already have a plan in place it will not make any difference to them.

Clive Efford (Eltham) (Lab): My constituency is plagued with rogue landlords who are buying up residential homes, turning them into homes for multiple occupation, often fuelled by milking the housing benefit budget, and pricing local people out of the market. The problem is a lack of ability to enforce planning regulations. As rogue landlords use permitted development, will the Secretary of State look at the resources that local authorities have to police planning applications and people who are developing under permitted development?

Sajid Javid: I can tell the hon. Gentleman two things that I think he might find helpful. First, we have given more money to local authorities to deal with the problem of rogue landlords. Secondly, new measures will come into place from April to give local authorities more powers to deal with rogue landlords. Local authorities will be able to keep the funding from the fines they impose and recycle it to help the victims of rogue landlords.

Justin Tomlinson (North Swindon) (Con): I welcome this ambitious and positive statement. We all have a role to play in allowing the next generation to benefit from the opportunity of home ownership, something my constituency takes very seriously. Does the Secretary of State agree that the developers have to do their bit, too? I am afraid that all too often the quality of new build homes is dreadful, and that puts people off.

Sajid Javid: First, I welcome my hon. Friend's comments. I agree with him that there are too many cases of new developments where the quality is simply just not acceptable. I have seen, from hon. Members, too many examples of that. That is why, through the process of looking at house buying, we will be taking a very close interest in that.

Daniel Zeichner (Cambridge) (Lab): Unlocking land value could play an important role in securing future developments, but in answer to a previous question the Secretary of State just referred to a consultation. Does he support a land value capture system and when might we expect to see one?

Sajid Javid: What I support is making sure that the state captures some of the increase in value once land receives planning permission. We do that currently through developer contributions, the community infrastructure levy, and section 106 and other agreements. I want to ensure that what we currently have in place is working well. If the hon. Gentleman shares that ambition, I suggest he responds to the consultation.

James Cartledge (South Suffolk) (Con): Does my right hon. Friend agree that where district councils are delivering permissions way in advance of their target but do not have a five-year land supply because of low delivery rates—the point made by my right hon. Friend

the Member for Wokingham (John Redwood) and others—they are not nimbyistic, and that the review by my right hon. Friend the Member for West Dorset (Sir Oliver Letwin) must give them very effective and robust tools that could include financial penalties if it is concluded that that is the only thing that will make them deliver the numbers we need?

Sajid Javid: The draft reforms will give extra protection to local authorities that temporarily fall below their five-year land supply because they have plans for larger developments that have yet to come online. That case was made to me by a number of people during the consultation. It is a sensible case and it will help in exactly the kind of circumstances my hon. Friend outlines.

Justin Madders (Ellesmere Port and Neston) (Lab): There are some laudable aims in the Secretary of State's statement today, but I fear they will not succeed because we are still relying on the same cabal of developers who brought us the leasehold scandal and whose profits have gone up nearly 400% in the past five years. Surely the answer is to give more powers and finances to local authorities and, instead of setting an arbitrary figure centrally, to work with each individual council to see what their plans and borrowing capacity can actually be?

Sajid Javid: What the hon. Gentleman highlights, I think, is the need for more competition in the market: having more people involved and not just some large developers who tend to dominate the market in some areas. I therefore hope he will welcome the measures in the draft planning code to encourage smaller builders and the support we provide through the home building fund.

Martin Vickers (Cleethorpes) (Con): The housing demand in northern Lincolnshire is very different from that in London and the south-east. May I urge the Secretary of State to always be mindful of that and not to put local planning authorities in a straitjacket of guidelines? Will he also ensure that the guidance is sufficient, so that local authorities do not grant planning permission without the necessary infrastructure and access to essential services that new housing developments need?

Sajid Javid: My hon. Friend makes a very good point. There are regional housing markets—the London market is very different from housing markets in other parts of the country—so he is right to highlight that point. On infrastructure, it is very important that the local authority plans for the right infrastructure. That means help from developer contributions, but also from the Government. That is why I hope he welcomes the housing infrastructure fund.

Andrew Selous (South West Bedfordshire) (Con) rose—

Robert Courts (Witney) (Con) rose—

Mr Speaker: What a choice between two illustrious denizens of the House. I call Mr Andrew Selous.

Andrew Selous: Thank you very much, Mr Speaker. Houghton Regis North 1 is a 5,000-house development in my constituency for which all planning permissions

[*Andrew Selous*]

have already been granted. My concern is that I am told that not a single person will collect keys on that large site until early 2020 because of the time it will take to put in electricity and other utilities. My constituents need those houses now. They cannot wait that long and they cannot wait for the Letwin review. What can the Government do to help to get those utilities in more quickly, so that we build the houses we desperately need?

Sajid Javid: My hon. Friend highlights the need for more cross-government work to ensure better co-ordination on issues such as utilities to make sure that all Departments are delivering. I am working with my right hon. Friend the Business Secretary and his colleagues to make sure that utilities are put in at the right time and do not hold up development.

Robert Courts: In rural areas such as west Oxfordshire, it is absolutely essential that, when new houses are built, infrastructure is built to accompany them. Will the Secretary of State please confirm that the intention of the NPPF revision is that developers are not only made to pay for that infrastructure, but that it will be delivered in advance of, or at the very least at the same time as, the houses are being built—not long afterwards, or, worse, not at all?

Sajid Javid: There is obviously a role for Departments to play with regard to strategic infrastructure—for example, the housing deal in Oxfordshire helps to provide some of the strategic infrastructure—but my hon. Friend is absolutely right about the role that developers must play in providing infrastructure. Many do not meet those obligations, which is why we set out the consultation on developer contributions. I hope he will contribute to it.

Points of Order

6.8 pm

Layla Moran (Oxford West and Abingdon) (LD): On a point of order, Mr Speaker. On Thursday 1 March, in an oral statement on the Leveson inquiry, the Secretary of State for Digital, Culture, Media and Sport said:

“Sir Brian, whom I thank for his service, agrees that the inquiry should not proceed under the current terms of reference”—[*Official Report*, 1 March 2018; Vol. 636, c. 966.]

Is it in order for the Secretary of State to describe Sir Brian as agreeing with the Government when his actual words, in a letter to the Department on 23 January, were that he “fundamentally disagrees” with the Government’s position? Furthermore, the Government acknowledged his view in further correspondence that was released hours after that statement was made.

Mr Speaker: I am grateful to the hon. Lady for her point of order and for her characteristic courtesy in giving me advance notice of it. I understand that she has also notified the Secretary of State. The contents of a ministerial statement are the responsibility of the Minister. If the Secretary of State feels that he has been in any way inaccurate in his description of Sir Brian Leveson’s views, I have no doubt that he will take steps to put the record straight. He is not obliged to say anything here, although he can if he so wishes.

The Secretary of State for Digital, Culture, Media and Sport (Matt Hancock) *rose—*

Mr Speaker: Not yet; I am dealing with the matter. The right hon. Gentleman can behave with a statesmanlike reserve befitting his very high office and onerous responsibilities.

As the correspondence has now been made available, it is a matter on which all Members may take their own view. I think it partly comes down to a question of interpretation and of emphasis, and I know where the hon. Lady is coming from on this subject. I am not entirely unaware of what Sir Brian has said about these matters. Meanwhile, the hon. Lady has succeeded in putting her view on the record. I call the Secretary of State, who is in his place and was a moment ago literally leaping towards the Dispatch Box with a breezy air of confident insistence.

Matt Hancock: Further to that point of order, Mr Speaker. I very clearly and carefully described my position and Sir Brian’s. Now that his letter is in the public domain, I think it is all very straightforward.

Chris Bryant (Rhondda) (Lab): Further to that point of order, Mr Speaker. I am sorry, but I was in here and listened very carefully, and I—and, I think, the majority of Members of this House—certainly got the very distinct impression that Sir Brian Leveson was agreeing with the Secretary of State, whereas one could only describe his reaction to having been described in such a way as incandescent fury. In future, would it not be helpful if, when a Secretary of State makes a statement of this nature—particularly one citing another person and praying them in aid—he published that person’s correspondence at exactly the same point as making the statement?

Mr Speaker: That certainly could be helpful. The Secretary of State's words are a matter for him. It is always very important, as a matter of both principle and prudence, faithfully to reflect the views of anybody whom one seeks to quote; as a matter of principle, because that is ethically right, and as a matter of prudence, because to put it bluntly—I am speaking hypothetically—if one did not, it might come back to bite one. We will leave that there for now.

Helen Hayes (Dulwich and West Norwood) (Lab) *rose—*

Chuka Umunna (Streatham) (Lab) *rose—*

Mr Speaker: A very difficult south London choice for me. I was notified by the hon. Member for Streatham (Chuka Umunna) first, so I will take a point of order from him.

Chuka Umunna: On a point of order, Mr Speaker. Over the last few years, there have been several major water leaks and burst water mains causing severe disruption to my constituents, meaning that they cannot wash, cook and do the basic things that we take for granted in everyday life. Yesterday, over 20,000 homes across London, and indeed many others across the rest of the country, were left without water.

My constituency is served by Thames Water. This is the worst incident of its type and it is totally unacceptable. Although the snows, the freeze and the thaw have posed huge challenges, Ofwat said this afternoon that these companies have fallen far short in forward planning and giving the right support and communication to people. I am absolutely astounded, given the practical implications of this, that no Minister has come to the Dispatch Box today to explain what the Government are doing, or will do, to support people who have been going through hell over the last couple of days. At the very least, one would have thought that there would be some kind of public inquiry. People will be interested to know whether they will get compensation for what has happened. Can you assist me, Mr Speaker, by advising me how we might get a Minister to the Dispatch Box to explain what they are doing to address this serious situation?

Mr Speaker: Would the hon. Member for Dulwich and West Norwood (Helen Hayes) like to come in at this point?

Helen Hayes: Further to the point of order raised by my hon. Friend the Member for Streatham (Chuka Umunna), who is my constituency neighbour, Mr Speaker. Thousands of my constituents have been without water over the weekend, some since last Thursday. During that time, they have been unable to contact Thames Water by telephone or through the website, and they have not received any information on when supply will be restored or how to obtain bottled water. The BBC

reported this morning that a hospital had to contact the water company by Twitter to request emergency supplies of water. There has been no clear protocol for ensuring that residents who are not able to collect water in person have access to clean and safe drinking water.

There are similar reports from across the country, including one that I received personally this evening from the water industry that up to 100,000 residents in Birmingham are at imminent risk of being without water as the thaw spreads. This is a national crisis in our water industry, which, it is clear, is not fit for purpose. I welcome your advice, Mr Speaker, on how we can secure the intervention and leadership that we need from the Government to get us through this crisis, and to ensure that we have a water industry that is fit for purpose.

Mr Speaker: I am very grateful to the hon. Members for Streatham (Chuka Umunna) and for Dulwich and West Norwood (Helen Hayes) for their points of order, which appertain to their constituencies, but which they have made clear are of national salience. Today was a very difficult day, in that we had two Government statements that were likely to be well subscribed, and a Second Reading is to follow, but there are tried and tested mechanisms for seeking to bring to the House's attention matters that are thought to be of some urgency. If the matters continue to be of some urgency, it is open to Members to seek to bring those matters to the House on subsequent days.

I should say to the hon. Member for Streatham that until 25 years ago, I lived in his constituency, although he was not at that point its distinguished representative, and I drove through it yesterday in the course of a rather unhappy journey in my car back from Brighton, where I had been attending a football match with my son. The reason for my unhappiness will be well known to the hon. Gentleman, as I hail originally from north London. I did see a rather large concentration of very dirty water in a road at one point. That was obviously rather a sad contrast with the unavailability of a proper water supply to residents of his constituency, so this is a real and pressing concern. The ingenuity of both hon. Members is such that I think they will find their own salvation before too long.

BILL PRESENTED

RIVERS AUTHORITIES AND LAND DRAINAGE BILL

Presentation and First Reading (Standing Order No. 57)

David Warburton, supported by Neil Parish, Mr Ian Liddell-Grainger, James Heappey and Mr Marcus Fysh, presented a Bill to make provision about rivers authorities; to make provision about the expenses of internal drainage boards; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 16 March, and to be printed (Bill 172) with explanatory notes (Bill 172-EN).

Data Protection Bill [Lords]

Second Reading

6.18 pm

The Secretary of State for Digital, Culture, Media and Sport (Matt Hancock): I beg to move, That the Bill be now read a Second time.

This House has a noble track record of working with rather than against technology. Whether it was the Electric Lighting Act 1882, which paved the way for electricity in the 19th century, or the Television Act 1954, which opened up our airwaves to commercial TV broadcasters in the 20th century, we have always helped pioneers to overcome obstacles and to use technology to make life better. The Data Protection Bill will do this, too. It will give people more power and control over their online lives while supporting innovation and entrepreneurship in the digital age, helping to make Britain fit for the future.

The Bill will deliver real benefits across the country, helping our businesses to compete and trade abroad. Strong data protection laws give consumers confidence in the products and services that they buy, and that is good for business, not bad. The Bill provides a full data protection framework as we leave the EU, consistent with the general data protection regulation in EU law. In October, the House debated how our data protection landscape will look after we leave the EU. Members on both sides agreed that the unhindered flow of data between the UK and the EU is vital and in the interests of both. Through today's Bill, we can make that a reality.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I am grateful to the Secretary of State for his opening remarks about the importance of the House supporting technology. He will know that data drives our economy and society in ways that people can find difficult to follow. The internet of things will increase exponentially the data trail we all leave, but the digital charter suggests only that private companies follow best practice. Does he not recognise the importance of data rights? Why is he not bringing forward a Bill of data rights?

Matt Hancock: I absolutely do, and the Bill does bring forward the right to the protection of personal data, as I will set out. It is incredibly important to ensure that such rights keep pace with the sort of modern technologies that the hon. Lady—she is extremely well informed on these topics—refers to, such as the internet of things. The Bill will directly address the issue she raises by strengthening citizens' rights in this new digital era, and I will detail the new rights later.

As digital becomes default in our society, people are trusting businesses and public services with more personal and sensitive data than ever before, including through their personal use of the internet and the internet of things, yet without trust that that data will be properly handled, the digital economy simply cannot succeed. Trust underpins a strong economy, and trust in data underpins a strong digital economy. The Bill will strengthen trust in the use of data by enhancing the control, transparency and security of data for people and businesses across the UK. I will speak to each of these three in turn.

First, on control, the Bill delivers on our commitment in the digital charter to empower citizens to take control of their data—after all, data belongs to citizens even when it is held by others—and sets new standards for protecting data while giving new rights to remove or delete it. Everyone will have the right to make sure that the data held about them is fair and accurate, and held in a way that aligns with rigorous principles.

Joanna Cherry (Edinburgh South West) (SNP): Is it really accurate to say that everyone will have that right, given the immigration exemption?

Matt Hancock: Yes, of course. Everyone who is a British citizen will have the right to make sure that data about them is held fairly and accurately, and in alignment with rigorous principles. The hon. and learned Lady raises obliquely the point that the Bill contains important exemptions, including those to allow MPs to act on behalf of constituents as part of their casework, and to ensure that we can properly police our borders. I will come to that in more detail later. Nevertheless, at the heart of the Bill is citizens' ability to control the data that companies and other organisations hold about them.

Sir Edward Davey (Kingston and Surbiton) (LD): Further to the point made by the hon. and learned Member for Edinburgh South West (Joanna Cherry), will the Secretary of State explain the legal basis for the immigration exemption from the general data protection regulation?

Matt Hancock: Yes, of course. Exemptions from the GDPR are allowed so that necessary activities can be carried out, including that of making sure that a minority of individuals cannot abuse data protection law with the sole intent of undermining immigration controls. That is provided for in the necessary exemptions. I know that this point was debated extensively in the other place, but we firmly believe not only that it is important to ensure that we can control our borders through immigration controls, but that this is provided for in the GDPR.

Joanna Cherry: The Secretary of State says that the immigration exemption is covered by the GDPR, but is he aware of legal opinion saying that the text of parts 1 and 4 of schedule 2 does not in fact reflect the stated permissible exemptions under article 23 of the GDPR? That is independent legal opinion, not mine.

Matt Hancock: Of course, there are always legal opinions about everything, and our legal opinion is that that is consistent—that is the basis on which we are proceeding. As I am sure the vast majority of Members would agree, it is important that we control our borders.

The Bill provides new data rights, including a stronger right to be forgotten.

Rebecca Pow (Taunton Deane) (Con): I welcome the element of the Bill about the right to be forgotten. I am sure that the Secretary of State is aware that the Digital, Culture, Media and Sport Committee is carrying out an inquiry into fake news, during which this whole issue of data—who owns it, who holds it and who knows what about whom—has come under the spotlight. Can he say how the Bill might help to control that?

Matt Hancock: Yes, I can.

Bill Wiggin (North Herefordshire) (Con): Before he does, will the Secretary of State give way?

Matt Hancock: Of course.

Bill Wiggin: Will the provisions apply to Wikipedia as well?

Matt Hancock: I will happily respond to both points. Under the Bill, data must be deleted unless there are legitimate grounds for retaining it. The details of what is meant by legitimate grounds will be set out in recitals and then guidance from the Information Commissioner. This is one area in which the right to be forgotten, which has been long dreamt of and thought about, is now being legislated for, and the precise details of where it applies will be set out in guidance, as the Bill states only that there need to be legitimate grounds for retaining data.

Mr Jacob Rees-Mogg (North East Somerset) (Con): Can we be certain that this right to be forgotten will not impede freedom of speech? I am thinking of Max Mosley, of course, and the information that came out on what he said in 1961, which is relevant and pertinent to current debates. We should do nothing that limits the right of a free press.

Matt Hancock: I wholeheartedly agree with my hon. Friend about not limiting the rights of the free press. He might be aware of amendments that were made in the other place on exactly that issue and that are supported by a number of Members of this House, including, notably, some who are also supported by Max Mosley. I think that we should remove those two provisions. The ability of our press properly to scrutinise is important and should not be undermined in the ways proposed, but I will come to that in more detail later.

The right to be forgotten is an important element of making sure that data is held appropriately and when there are legitimate grounds. The Bill also allows for data portability—a person's right to transfer their data from one provider to another.

Stephen Timms (East Ham) (Lab): As the Secretary of State is describing, the Bill puts into UK law the EU's general data protection regulation, which is the right thing to do. I am confident that he would agree that we need to ensure that our data protection rules stay in line with the EU regulation as things develop. Does it trouble him that we will have less influence over the future content of the EU's rules once we have left it?

Matt Hancock: I agree that this is a strong set of data protection standards. We intend to stay aligned with the EU standards, not least because they are extraterritorial, which means that anyone wanting to do any business or transactions with EU citizens would have to follow them anyway. There is therefore a very strong case for alignment in this area. Indeed, we have set out that we want the Information Commissioner to remain engaged with the future development of technical standards because we expect the GDPR effectively to become a standard that is increasingly followed around the world by companies that want to engage with the EU, and because we believe that high data protection standards

go hand in hand with the capability to innovate and provide for customers. The Prime Minister was, of course, clear about the detail on Friday.

Sir Edward Davey: I am afraid that the Secretary of State has not answered the question asked by the right hon. Member for East Ham (Stephen Timms). Is it not true that UK companies will be bound by rules that the EU will decide? Those rules will affect a huge amount of business, but we will have no influence over them after we leave the EU?

Matt Hancock: I thought I had answered the question—the right hon. Member for East Ham (Stephen Timms) was nodding, so I thought I had at least had a crack at it. As the Prime Minister set out on Friday, and as we set out for the first time last August, we will seek, through the Information Commissioner's Office, to remain engaged in those technical discussions about the future of the rules. As was proposed in the Conservative party manifesto, the Bill also gives young people the right to have data about them removed once they are 18 years old.

The second element is transparency, which is absolutely vital. All citizens should be able to know what is happening to their data and how it is being used. The Bill requires data controllers to give people information about who controls data, the purpose of processing it, and how long it will be stored. That is especially crucial in a world in which emerging technologies such as artificial intelligence are making increasingly important ethical decisions. The Bill therefore provides powers for the restriction of automated decision making and safeguards for those whose data is used. Our new centre for data ethics and innovation will advise on those safeguards, so that we can promote innovation and respond quickly to changes in technology with clear and transparent guidelines that are based on openness and consent.

The third principle is security. The Bill enhances requirements relating to the security of data and strengthens enforcement for those who do not comply. Data security and innovation go hand in hand, and this move will benefit customers and all responsible businesses. The Data Protection Act 1998 has served us well and placed the UK at the forefront of global data protection standards, but the world has changed since 1998, and the Bill updates the position to make our laws fit for purpose in an increasingly digital economy and society. It modernises many of the offences under the Act and creates new offences to help us to deal with emerging challenges.

Dr David Drew (Stroud) (Lab/Co-op): The Secretary of State is being very generous in taking interventions. He has probably heard from the National Association of Local Councils, which represents parish and town councils. It has asked that an external data protection officer will not have to be appointed at every council level. There would be a cost of some £3.5 million to the smallest but most relevant authorities, so will the Secretary of State be sympathetic to its request for relief from that onerous responsibility?

Matt Hancock: I have received representations not only from the National Association of Local Councils, but from the Suffolk Association of Local Councils and many of my own parish councils—including Moulton Parish Council—which do an admirable job in telling me about the pressures facing parish councils throughout the country. I pay tribute to them for their efforts, and for the length of their representations to me.

[*Matt Hancock*]

Of course it is important for parish councils, and other local councils, to follow high-quality data protection standards. The Information Commissioner's Office has provided extensive guidance to help organisations to prepare for their new responsibilities, and I urge councils to look at it.

The responsibilities of data protection officers—this is relevant to the issue raised by the hon. Gentleman—can be implemented in different ways. For instance, several parish councils can choose to share a single data protection officer, provided that he or she is easily accessible from each establishment. The system does not require the hiring of one person per organisation. Organisations have already been set up to provide this service, and the service itself is important. In the case of a small organisation, such as a very small business or a parish council on a low budget, it is still important for data to be handled and protected carefully, because small organisations too can hold very sensitive personal information. I am extremely sympathetic to the plight of small businesses that must deal with regulation—especially as I come from a small business background myself—but I am also convinced that it is good practice to follow high-quality data protection standards and that it is good for organisations to do so.

James Cartlidge (South Suffolk) (Con): I thank my right hon. Friend for giving way. He is being very generous.

I knew that some small businesses in my constituency were concerned about the impact of the GDPR, so I telephoned the Information Commissioner's Office to find out what support was available to them. The only answer that the office could give to every question that I asked about how the GDPR would affect small businesses was "Go to the website." Does my right hon. Friend agree that we should expect better from a telephone line that is funded by the taxpayer?

Matt Hancock: I am glad that there is a telephone line. I am sure that the Information Commissioner will be watching the debate and will hear the plea for clear guidance on how small organisations in particular should implement data protection standards, whether they are small councils or small businesses. However, the Information Commissioner's Office has already provided clearer guidance, as well as the telephone line. It is obviously listening, with the aim of getting the guidance right and ensuring that, in lay terms, meeting the new standards is straightforward. This issue came up in the other place as well. It is important for us to get the implementation right, especially in the case of small organisations.

Chris Bryant (Rhondda) (Lab): The Secretary of State has referred to the right to be forgotten. May I suggest that there might be another right, namely the right to be remembered correctly? All too often, in response to freedom of information requests about, for instance, national security, the Government have imposed a blanket ban on the publication of any information—even many years after the individual concerned has died, when it is pretty difficult to see why there should still be a national security issue. I wonder whether it would not be a good idea for us to have some means of extracting such information in 20, 30, 40 or 50 years' time.

Matt Hancock: The Bill does not change the freedom of information regime. However, it does establish a data protection regime relating to intelligence services and national security, about which I shall say more shortly, and which will no doubt be scrutinised by the House. The specific issue of the release of records is not in the scope of the Bill, because it is about the protection of live data rather than the release of records. The 30-year rule has, in the main, been changed to a 20-year rule, but of course there are national security opt-outs, some of which are incredibly important.

Chris Bryant: Of course there should be national security opt-outs, and when we were changing the rule from 30 to 20 years, I was one of the Ministers who ensured that they were strong. My anxiety is, however, that all too often the security services impose a complete blanket ban, which means that we as a nation are not properly able to understand what happened in the 1930s, 1940s and 1950s. If we were better informed about that, we might be able to make better decisions for our own national security in the future.

Matt Hancock: I do not wish to labour the point. I too was the Minister responsible for national security releases. All I can say is that that is not within the scope of the Bill, and I think the system works effectively.

As recommended by Dame Fiona Caldicott, the National Data Guardian for Health and Care, the Bill creates a new offence of the unlawful re-identification of de-identified personal data. It offers new safeguards for children, including a new code on age-appropriate website design. Currently, the law on parental consent for children on social media is complicated, but in most cases it applies to children up to 12 years old. The Bill provides for consent to be required in the case of children aged up to 13, so that parents have more control but the law is still practical.

The Bill also sets out clearer frameworks for data security—for example, by giving everyone a right to know when their data has been breached. We are strengthening the enforcement powers of the Information Commissioner to reflect a world in which data is held and used in much more sophisticated ways than ever before. Under the Bill, the commissioner can issue substantial penalties of up to 4% of global turnover. When she finds criminality, she can also prosecute. With greater control, greater transparency and greater security for our data, the Bill will help to give us a statute book that is fit for the digital age as we leave the EU.

Let me now touch on some specific areas in a little more detail. This is a forensic Bill with 208 clauses. It covers a vast area of British life, including financial services, sport, the protection of equality and much more. It also includes provisions that will support Members of this House in the work that we do, and it will make it easier for us to take up casework on behalf of our constituents.

The Bill provides for three parallel schemes to protect personal data. First, on general data, which accounts for the vast majority of data processing across all sectors of the economy and the public sector, this part of the Bill works in tandem with the EU's GDPR, which we have discussed. We know that small businesses need advice on this, and it is important to get right the advice from the Information Commissioner's Office. It says in my notes that the ICO has a small business helpline, but we have already heard about that in the debate.

Rebecca Pow: I have been contacted by a number of businesses in Taunton Deane that are concerned about the work already placed on them to comply with data protection legislation. Can the Secretary of State confirm that this Bill will not give them a further workload, that it will indeed help those needing to trade in future across Europe and that it should, overall, be a benefit?

Matt Hancock: That is right. The Bill is structured to be consistent with the EU law elements of GDPR, which automatically apply from 25 May this year, to ensure that the non-EU elements of data protection, with respect to general data processing, national security data and law enforcement data, provide for a full spectrum framework for data protection once we leave the EU. The Bill is designed in such a way that it is as simple as possible for businesses to comply with the data protection standards that will be directly enforced from 25 May anyway. That is why from the point of view of small businesses, it is important that we get this Bill through by 25 May, and we have a fully functioning data protection framework. However, I certainly take on board, and am sympathetic to, the concerns my hon. Friend raises about small businesses and the need to ensure our data system is innovative in the future, and that people can comply with the rules. I hope that satisfies her on the concerns of small businesses in her constituency, as well as those of small councils and indeed small charities, which have to comply as well.

The schemes are designed to make sure the police can keep using and sharing personal data to prevent and investigate crime, to bring offenders to justice and to keep communities safe. Likewise, the Bill makes provisions for the personal data processed by our intelligence agencies, so they can continue to protect our country at a time of heightened terrorist threat. The intelligence services will be part of this new framework under the supervision of the Information Commissioner.

We also want to support the hard-hitting investigative journalism that holds the powerful to account and that we have touched on already—and it is good to see my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) engaging with the digital economy on his smartphone; I am delighted that he welcomes at least some elements of the 21st century. On this point, I want briefly to comment on the proposed clauses inserted by the Lords. I set out our response to the consultation on the future of the Leveson inquiry last week, so I will not set out the arguments again in full this afternoon, but I will say this: the amendments are simply not the answer to today's problems faced by the media. It has been six years since the Leveson inquiry reported; since then, we have seen the completion of three detailed police investigations, extensive reforms to police practices and some of the most significant changes to press self-regulation in recent times. Meanwhile, the media are facing critical challenges that threaten their sustainability, including fake news, declining circulations and in gaining revenue from online content.

On top of that, the amendments undermine our devolution settlement. The new clauses seek to legislate on a UK-wide basis, despite press regulation being a reserved matter for the devolved Administrations. I hope Scottish National party Members, and indeed all Members, will join me in voting these amendments down.

Andy Slaughter (Hammersmith) (Lab): The Secretary of State is not sounding any more convincing than he did in his statement on Thursday. Failure to proceed with part two of Leveson and section 40 of the Crime and Courts Act 2013 is a disgusting and cowardly betrayal of the victims of media harassment. It does not even leave those victims in the same position as before, because since Leveson the Legal Aid, Sentencing and Punishment of Offenders Act 2012 has hobbled the ability of claimants in privacy and defamation actions to access no-win, no-fee representation. Therefore, section 40 is now the only way to ensure access to justice, which is as helpful to small publishers as it is to citizens. Why does the Secretary of State not put their interests before those of big newspaper groups, instead of currying favour for himself and his weak Government?

Matt Hancock: We debated this at length on Thursday and discussed the fact that it is vital that we look to what is needed for the media now, to ensure that instead of having a set of proposals that were designed several years ago and that would lead to any claimant being able to claim costs no matter the merits of their case, we have measures that enable our press to be sustainable for the future.

John Redwood (Wokingham) (Con): I support the Secretary of State in proposing that these amendments be removed. Like many in this place, I have been on the wrong end of fake news and misrepresentation many times, so I do not do so out of personal interest. I think there is a wider public interest: a free press is an extremely important part of a democracy. The press will not always get it right, but we need to be very careful about the amendments from the Lords.

Matt Hancock: I wholeheartedly agree with my right hon. Friend.

This Bill is an essential piece of legislation that makes the UK's data laws among the most effective in the world. This House must never shy away from supporting new technology. The Electric Lighting Act 1882 was considered so important that the House sat on a Saturday to get it through. I hope that will not be necessary this time, but I do hope that the House will adopt similar enthusiasm in backing this Bill. Doing so would support our entrepreneurs in harnessing the value of data, while giving citizens confidence when they go online.

I was pleased a few weeks ago that the Opposition Front-Bench teams in the other place agreed that the Bill was a positive and necessary step. I hope the whole House will agree tonight, and I commend this Bill to the House.

6.46 pm

Tom Watson (West Bromwich East) (Lab): I refer hon. Members to my declaration in the Register of Members' Financial Interests, and, at the risk of emptying the Chamber early this evening, I should start by reassuring the Minister that Labour will not be opposing this Bill on Second Reading. It is an important piece of legislation, and parts of it absolutely have to be incorporated into domestic law by May this year, and we do not intend to stand in its way.

But that is not to say that we are content with the Bill as it is. Many improvements have been made in the other place—many with cross-party support, and some,

[Tom Watson]

which I will discuss in more detail, against the wishes of the Government—but there are more changes that we need to make, and the Opposition will be pressing for them as the Bill proceeds through its Commons stages. I pay tribute to the work of peers on all sides, and in particular to my Labour colleagues, Lord Stevenson, Lord Kennedy, Lord Griffiths and Lord Grantchester, for their work on the Opposition Front Bench.

In 2016, I set up the independent Future of Work Commission to look at the challenges and opportunities created by the new technological revolution. Just as Harold Wilson spoke 54 years ago about the opportunities of the “white heat” of what was then cutting-edge technology, so we now need to make sure that we are seizing the opportunities that the new digital economy presents to us. That is where many of the jobs of the future lie—where the raw materials are not steel or minerals or plastics, but data. The commission concluded that, with the right policy framework around it, the new technologies of artificial intelligence, massive processing power and digital transfer can create as many jobs as they destroy and enhance many jobs that currently exist.

None of that is inevitable, however, because we are not doing enough to exploit the opportunities created by this new world of work. Britain is unprepared for the technological revolution. We think this demands strategic planning, as the policy choices we make now will shape how technological change will affect the work and lives of our citizens.

I think we all in this House accept that, as we leave the European Union, we need to make sure that we still have unhindered flows of data between the EU and the UK; anything else would do huge damage to our economy. As the House of Lords European Union Committee report on “Brexit: the EU data protection package” concluded,

“any arrangement that resulted in greater friction around data transfers between the UK and the EU post-Brexit could hinder police and security cooperation. It could also present a non-tariff barrier to trade, particularly in services, putting companies operating out of the UK at a competitive disadvantage.”

So it is vital that we get this Bill right.

We will be seeking more information from the Government than was forthcoming in the Bill’s passage through the other place on how we will allow continuous data flows once Britain is no longer a member of the EU and, in the EU’s terms, a “third country”. Data is the raw material of the digital economy. Businesses, individuals, Government agencies and others need to exchange and process data, but to do that safely, we need proper protections so that it cannot be stolen, used without our consent or misused. If we are to build a strong digital economy, we need strong foundations, because trade is built on trust. Consumers, particularly children and vulnerable adults, need to be better supported and protected. That is why my right hon. Friend the Member for Birmingham, Hodge Hill (Liam Byrne), who will be doing much of the heavy lifting on the Bill as it proceeds through Committee, has talked about the need for a new Bill of data and digital rights—a broad set of regulatory structures for data capitalism.

We hope that our proposals are more ambitious than the Government’s digital charter and less reliant on voluntary codes of conduct, which can be ignored by big social media and data giants. Instead, we believe we need a statutory code of enforceable rights offering people proper control over their own data, appropriate remedies when their data is misused and proportionate sanctions to deter unlawful data processing. Rights for children need to be at the core of this. Children make up one third of internet users worldwide, and one in five in the UK, so we welcome the improvements made by Baroness Kidron’s amendment on age-appropriate design, but we want to work with the Government to do more to ensure that children are properly served by the Bill.

We believe that a right of privacy is key to any strong regime of rights. It is easy for individuals to have their privacy invaded as a result of sharing data on the internet, so we will be pushing for the incorporation of article 8 of the charter of fundamental rights, with all the appropriate safeguards and balancing tests. We hope that the Government will see the benefit of this to a future adequacy decision with the EU.

Mr Jim Cunningham (Coventry South) (Lab): I am sure that, like me, my hon. Friend has had a number of letters from people who are concerned about their privacy and their rights in relation to privacy.

Tom Watson: Yes, indeed. Privacy in the age of the net, with huge data flows and information in abundance, is the debate of the age. There is no doubt that this House will be discussing privacy in the years to come, beyond this Bill and beyond further regulation. In this particular Bill, however, we must ensure that privacy is not just entrusted to the delegated powers of the Minister and that it is a fundamental right that our citizens can start to develop.

Parliament is also considering the European Union (Withdrawal) Bill, which, in combination with this Bill, risks eliminating the GDPR as a check on the misuse of ministerial authority to undermine data privacy rights. It gives Ministers power to make secondary legislation to amend any retained EU law, which would include those governing data protection rights. The European Union (Withdrawal) Bill, as currently drafted, eliminates the important data protection rights of article 8, which would otherwise constrain Ministers’ ability to erode fundamental data privacy protections. So we want to make it explicit in the Bill that those protections cannot be eroded. Strong rights need strong enforcement and a proper mechanism to enable enforcement to take place. This is all the more vital where the data rights of children are involved. We therefore want to see the Bill amended to ensure that consumer groups that operate in the privacy field can act on behalf of data subjects without a particular complaint—a right of collective, not just individual, redress.

The Government have chosen not to implement article 80(2) of the GDPR, which gives greater ability for civil society and other representative bodies to act on behalf of citizens and mirrors consumer rights in goods and services. A super-complainant system would help to protect anonymity and create a stronger enforcement framework. Collective redress and representative action led by a recognised body would also help individuals to enforce their rights to data protection when their data

is exposed, stolen or misused as part of a large data breach that affects multiple people. It would create a stronger enforcement framework, which would build and reinforce trust without overburdening existing institutions.

I want to turn to two amendments—improvements—made in the other place that the Government have already said they wish to overturn. Indeed, as soon as the votes had taken place, the Secretary of State tweeted that they were votes against press freedom—even though they were also votes in favour of a policy agreed by all parties in 2012, and for which he himself, the former Prime Minister and the current Prime Minister had previously voted. So it was no great surprise when the Secretary of State made his announcement last week about ditching Leveson part 2 and binning section 40 of the Crime and Courts Act 2013. His tweet, as I think he will recognise, somewhat pre-empted his consultation response. However, we live in a country where Parliament is sovereign, so the decision is not entirely up to him. It is up to us in this House. We can decide whether to keep the promises made by David Cameron—and by all parties—to the victims of phone hacking and other press abuse in 2012, or to break them.

Chris Bryant: Was there not also a promise, in a sense, to Brian Leveson? The guarantee was that a single inquiry was to be carried out. I am sure that my hon. Friend has seen the correspondence in which Leveson himself says that he fundamentally disagrees with the Government's position because the only regard in which he thinks the terms of reference should be changed is that they should be increased, so that we could see whether the Independent Press Standards Organisation was indeed any different from the Press Complaints Commission at all.

Tom Watson: A characteristically articulate question, there. My hon. Friend will not be surprised to learn that I am coming on to that point in my speech now.

Section 40 of the Crime and Courts Act 2013 legislates for the part of the Leveson system that would provide access to justice for ordinary citizens, while offering protection to journalists and newspapers that signed up to any Leveson-compliant self-regulatory body. I want to take on one argument that I think is a complete red herring. Some elements of the media do not like IMPRESS—the only self-regulator that has so far been given royal charter recognition. They are, to coin a phrase, unimpressed with it. They would prefer not to be regulated by it, and they pretend that section 40 would force them to be members of it. But that is not accurate. There is absolutely nothing preventing those elements of the press that dislike IMPRESS from setting up an alternative self-regulator and seeking royal charter recognition for it. They could seek recognition for IPSO, but it continues to fall short of the criteria applied by the Press Recognition Panel. The fact that they choose not to do so suggests that IMPRESS is not really the problem. So we will seek to retain the amendment on section 40.

Mr Rees-Mogg: Will the hon. Gentleman give way?

Tom Watson: I was anticipating an intervention from the hon. Gentleman. I hope that he can convince me that those senior editors who gave evidence to Leveson will not be eating their words when further revelations are made in the weeks and months ahead.

Mr Rees-Mogg: I am grateful to the hon. Gentleman for giving way and for his earlier and quite proper reference to his entry in the Register of Members' Financial Interests. IMPRESS is there, and it has been funded by Max Mosley, who has been exposed as a racist and as someone who indulges in orgies and who has been waging a war against the press. The free press does not want to be regulated by a state-approved regulator. That is fundamental to the freedoms we enjoy in our society. Clauses 168 and 169 effectively impose IMPRESS as the only body that has sought and received royal charter approval, yet it is funded by this deeply unsavoury figure, from whom I believe the hon. Gentleman has now dissociated himself.

Tom Watson: I do not believe that Max Mosley now holds the views ascribed to him. This is what happens when people take on press barons and the billionaires who back them. That is what is going on here. The hon. Gentleman, the Minister and everyone in this House knows that the press barons do not want this regulation. Some years ago, probably before the hon. Gentleman was elected to this House, I remember that MPs were frightened of speaking out about media abuse lest they receive retribution, so I will not take any lessons when people who stand up for media reform see their characters traduced and destroyed in the press.

Several hon. Members rose—

Tom Watson: I will make some progress.

In his statement to the House last week, the Secretary of State said that Sir Brian

“agrees that the inquiry should not proceed under the current terms of reference but believes that it should continue in an amended form.”—[*Official Report*, 1 March 2018; Vol. 636, c. 966.]

I do not know about you, Madam Deputy Speaker—[*Interruption.*] Oh, Mr Deputy Speaker.

Mr Deputy Speaker (Sir Lindsay Hoyle): With a name like Lindsay, who knows? [*Laughter.*]

Tom Watson: I am not rising to that. I do not know about you, Mr Deputy Speaker, but I got the distinct impression from the Secretary of State's presentation that Brian Leveson supported his proposals. That was something of an understatement. In fact, Sir Brian says that he disagrees “fundamentally” with the Government's position, stating:

“I have no doubt that there is still a legitimate expectation on behalf of the public and, in particular, the alleged victims of phone hacking and other unlawful conduct, that there will be a full public examination of the circumstances that allowed that behaviour to develop and clear reassurances that nothing of the same scale could occur again: that is what they were promised”.

Sir Brian is clear that this breaks a promise to the victims, and it does so by using a very clever sleight of hand. The Secretary of State told the House that 12% of direct respondents to the consultation were in favour of continuing the inquiry, with 66% against. How did the Government get to that landslide verdict? Scandalously, they disregarded the 200,000 people who signed an online petition in favour of continuing the inquiry, but they included thousands of pro forma newspaper coupons that various papers encouraged their readers to send in. Sir Brian said to the Government:

“I would not personally count the responses in the way in which you have.”

Matt Hancock: As the hon. Gentleman may or may not know, it is entirely standard to count in that way. The same was done on the questions of equal marriage and of BBC charter reform, because there is a material difference between clicking a button to sign a preformed digital signature and writing in separately. This is how things have been in other big consultations. It is entirely normal, and the full details were set out last Thursday.

Tom Watson: The Secretary of State is obviously living in the analogue age if he thinks that he can accept a coupon from *The Sun* but ignore 200,000 citizens expressing their concern about the inquiry.

I have only one question for the Secretary of State. Will the Government be able to detail what they will do if evidence of wrongdoing is revealed, in particular if editors misled or were partial in their evidence to the original inquiry? We still need Leveson 2, and Sir Brian agrees.

Andy Slaughter: My hon. Friend is making excellent work of exposing the Government on this point, but things go a stage further than this. Abandoning Leveson against the wishes of Lord Leveson is a constitutional provocation, because it puts party interest above due process. If that is going to happen with one inquiry, why will it not happen with Grenfell or contaminated blood? What will stop the Government doing things that are in their own interests, not those of victims?

Tom Watson: My hon. Friend makes an important and fair point that I hope the analogue Minister will reflect on.

Rather than protecting the public from the abuse of their data, committed by or on behalf of newspaper publishers, the Government have capitulated to the media. In his letter, Sir Brian said that

“the press is in a unique position because there is no other... body in a position to hold the very real exercise of power by the press to account and to expose its wrongdoing to the public”

In short, the press has no predators. As this Bill makes its way into law, we will be voting to redress that imbalance and to keep our promises.

Several hon. Members *rose*—

Mr Deputy Speaker (Sir Lindsay Hoyle): Order. If we work on a 10-minute limit, but without me imposing it, everybody will get equal time.

7.5 pm

Bill Wiggin (North Herefordshire) (Con): I draw Members' attention to my entry in the Register of Members' Financial Interests. I will start with a little anecdote about my local paper and IPSO. On 9 November, just four days after the Paradise papers story broke, the *Hereford Times* published the headline, “Tory MP dragged into offshore row”. It clearly implied a connection between me, a law firm I have never had anything to do with, and tax avoidance, which, equally, I have had nothing to do with. To make matters worse, the editor then chose to publish letters the next week from readers who believed that I was part of the Paradise papers. Amazingly, IPSO ruled that that was not misleading or inaccurate in any way. Even though the article contained factual inaccuracies that I had pointed out, IPSO's complaints committee simply ignored them. IPSO is a press protector, not a press regulator. MPs can speak

out against it in the public domain, but normal people have no such voice, so we need this excellent Bill, which I look forward to supporting, largely because of the amendments from Earl Attlee.

Let me describe the *Hereford Times* a little bit. It is owned by Newsquest, which is a wholly owned subsidiary of Gannett Company UK, the UK branch of Gannett Company—a US media giant. In 2015, Newsquest reported a loss of £24,349,000. Meanwhile, Gannett reported revenues of £2.89 billion and a net income of over £146 million. On 11 August 2017, Chris Morley from the National Union of Journalists described Newsquest as “exporting tens of millions of pounds profit to its US masters”.

In October 2016, the NUJ said, after its pay survey, that Newsquest was one of the stingiest employers, despite Gannett paying its top five executives over £15 million between them. I am pleased to say that I do not believe that John Wilson, the rather hopeless editor of the *Hereford Times*, was one of them.

Moving on to Leveson 2, Baroness Hollins' amendment provides for an inquiry with similar terms of reference to part 2 of the Leveson inquiry. I am obviously extremely disappointed that the Government last week chose to abandon Lord Leveson's recommendations. The inquiry was always one inquiry in two parts, not two inquiries, and it should not stop halfway through. Sir Brian Leveson was absolutely clear in his letter to the Secretary of State that he does not want the inquiry to stop halfway. However, there is no justification for spending millions on part 2 if we are simply to abandon the recommendations of part 1. We must carry out the recommendations of part 1 and then continue with the second half of the inquiry.

An amendment put forward by Earl Attlee in the other place adds provisions similar to those in section 40 of the Crime and Courts Act 2013. The Secretary of State last week suggested that the current system of press regulation was sufficient and that implementing section 40 would damage the freedom of the press and hurt vulnerable local papers, but he is wrong on all those counts. In response to the idea that the current system of regulation is sufficient, I point out that IPSO cannot be “largely compliant.” It is not possible to be largely pregnant—someone is either pregnant or not. As per the Secretary of State's statement, a regulator either follows all 29 criteria or it does not. IPSO does not, and therefore it is not the method of press regulation that Leveson recommended and that has already been passed into law. The Secretary of State suggests that we do not need further regulation. Why would we regulate energy providers, communications providers and even exam providers, but simply decide to trust newspapers that have criminal convictions? That is plainly barmy.

Christine Jardine (Edinburgh West) (LD): Does the hon. Gentleman agree that it is ironic that the press is not to be regulated, when broadcasters are, via Ofcom?

Bill Wiggin: Either we regulate or we do not, but we cannot do bits. That is why it is important that the Bill passes into law as it is. I agree with the hon. Lady.

The second accusation is that Earl Attlee's amendments would damage the freedom of the press. The Press Recognition Panel is entirely independent of the Government and the press. It is funded by the Government, but so are the courts, and no one would accuse the

judiciary of being influenced by the Government. In addition, the PRP's charter is as good as unamendable, as amendment requires a 66% supermajority in both Houses and, crucially, the unanimous agreement of the PRP board, so any Government who chose to change press regulation would find it far easier to do so through primary legislation. It is fiction to think the PRP is anything other than independent.

Finally, it has been suggested that Earl Attlee's amendments would harm local newspapers financially. Section 40 is not about punishing newspapers; it is about creating a fair and low-cost arbitration process that is good for local newspapers and for vulnerable individuals. Lord Leveson envisaged his proposals protecting local newspapers from rich and powerful litigants, and he certainly did not intend for newspapers to refuse to join a regulator.

Section 40 is not only desirable but necessary. IPSO will never agree to apply to become an approved regulator unless it is forced to, and section 40 would ensure that it happened. These measures already received the full support of both Houses in proceedings on the Crime and Courts Act. We must now implement them. The challenge goes out to the Opposition parties: there is support on both sides of the House for section 40, but if there are not sufficient Members here to vote for it, the Government will have their way. I hope we will make sure that this House does not bend the knee to the power of the press barons, but remembers its role to speak up for the vulnerable—the people who have no money, and who need a proper, fair and low-cost arbitration system.

7.12 pm

Brendan O'Hara (Argyll and Bute) (SNP): The Scottish National party acknowledges the need for a new and comprehensive data protection framework that safeguards human rights, and updates UK data protection law to bring it in line with the European Union's general data protection regulation. We want a Data Protection Bill that makes the UK's data protection laws fit for the digital age, that enshrines the principle of transparency and accountability and that gives all citizens and consumers greater control over who has access to their personal information and what those parties can do with it.

Despite what we have heard in the debate, this is a wide-ranging and complicated Bill. The House is agreed on many aspects of it, but in certain crucial areas, it falls short of what we expect from modern data protection legislation. Specifically, we are concerned about the Bill's provisions on the UK's derogation from the GDPR for the purposes of effective immigration control. We also have concerns about automated decision making, the use of national security certificates and the lack of provision for collective redress. We are also very concerned about the consequences for the UK as it tries to secure an adequacy agreement with the European Union, post Brexit.

As the Secretary of State is well aware, SNP Members and the Scottish Government are extremely concerned about clause 168, which concerns section 40 of the Crime and Courts Act 2013. Clause 168 was inserted in the other place and impinges on areas wholly devolved to the Scottish Parliament. Although we will be as constructive as possible in assisting the passage of the Bill, we will table our own amendments and support other Members' amendments on those issues in Committee.

We will definitely seek to challenge paragraph 4 of part 1 of schedule 2, which is effectively an immigration exemption that permits the Government to collect and hold data without subject knowledge; we find that deeply worrying. Equally concerning is that there is no legal definition of immigration control, or the maintenance of effective immigration control, anywhere in the Bill. Given that effective immigration control is both highly subjective and highly political, I fear it will make individuals' rights extremely susceptible to changes in political tides. This broad, wide-ranging exemption is fundamentally unfair, and it runs contrary to basic human rights. It is unprecedented and as unnecessary as it is disproportionate.

Under this exemption, the Government will remove any obligation they have under data protection law to inform an individual that their data has been transferred to the Home Office for immigration control purposes. The individual concerned would not know that their data was being held, or that they were under investigation. They would have no right to see what data of theirs was being held by the Home Office, or to find out why it was being held. They would have no way of checking the accuracy of the information held by the Home Office, and they would have no way of correcting any mistakes in that information, which could be used by the Home Office to decide whether they could live in this country.

That means that one early error in data collection or processing could become indisputable fact by the time it reached the Home Office, and the Home Office could base its case against an individual on that. As MPs, we all know how often information held on individuals turns out to be wrong. This is an issue of basic fairness, and it is little wonder that the measure has been roundly condemned by numerous civil liberties groups and by many in the legal profession.

If the measure is enacted, it would be a fundamental change to the way things currently work, whereby data held on an individual can be obtained through a subject access request. As it stands, the Home Office, the applicant and the applicant's legal representative all have access to the same information, and it is that information on which claims and legal challenges are based. Surely, if both sides do not have access to the same information, the fairness of legal proceedings is inevitably compromised.

Subject access requests are often the only route through which legal professionals can obtain access to such information, and thereby understand the complicated immigration history of some of their clients. Indeed, for applicants who have been the victim of domestic abuse and who were in a controlling relationship for years before seeking help on immigration matters, a subject access request may be their only way of establishing their basis for settlement and for gaining independence from an abusive partner. This exemption will reduce a legal representative's ability to best represent their client, and it will remove an important tool in holding the Home Office to account when it ignores or seeks to misrepresent the facts.

Further to the comments of the hon. Member for West Bromwich East (Tom Watson), we also strongly recommend that the Government look again at clause 183, and make provision for suitably qualified non-profit organisations to pursue action against data protection infringements of their own accord. This kind of enforcement, where one person or body represents a group of individuals, is known as collective redress. As it stands, clause 183 only

[Brendan O'Hara]

allows individuals to request that suitably qualified organisations take up a case on their behalf, rather than allowing such organisations to highlight where they believe a breach of data protection law has occurred.

All too often, individuals are the last to know that their data has been unlawfully used, and in many cases those best placed to identify unlawful practices are the organisations that do the independent research and investigation. We hope that clause 183 can be amended to ensure that not-for-profit organisations have the right to raise complaints themselves when they consider that people's data protection rights have been infringed.

I also want to raise the matter of automated decision making and, in particular, clause 14, which permits exemptions from the right not to be subject to an automated decision. We strongly believe that automated decision making without human intervention should be subject to the strictest limitations, and it has to address fairness, transparency, accountability and issues of discrimination. The Bill provides insufficient safeguards. This is not about an online retailer suggesting what book or song someone might wish to download, based on previous purchases; this is about decisions being made without human oversight that can have long-term, serious consequences for an individual's health, or their financial, employment or legal status.

As I understand it, clause 48 would allow law enforcement agencies to make purely automated decisions. This is fraught with danger and is, we believe, not only at odds with the Data Protection Act 1998, but against article 22 of the GDPR, which gives individuals the right not to be subject to purely automated decisions. The GDPR contains provision for EU member states to opt out of this, but that opt-out does not apply if the data subject's rights, freedoms and legitimate interests are undermined. I urge the Government to look again at those parts of the Bill on automated decision making and to make it explicit that where automated processing is carried out, a human will have to decide whether it is reasonable and appropriate to continue. That human intervention will provide transparency and accountability, and ensure that the state is not infringing an individual's fundamental rights, liberties and privacy. Those issues are often subjective and beyond the concept of an algorithm.

Another area of concern, which we will raise in Committee, relates to the issuing of national security certificates, which allow restriction of and exemption from a wide range of rights in the Bill and the GDPR on the basis of national security and defence. It is right that a country should have an ability to do what is deemed to be in the best interests of its national security, but many would argue that, since 1998, national security certificates have received insufficient scrutiny of their impact on privacy or their proportionality. We are concerned that the proposals in the Bill go much further than those in the Data Protection Act 1998. We question whether the broad and indefinite nature of those national security exemptions is necessary and proportionate and whether the oversight of the issuing of national security certificates is sufficient. As the Bill is drafted, an individual's rights could be removed by a politician without any form of judicial oversight. Surely it cannot be right for an individual's rights to be undermined so easily, purely on the say-so of a Minister.

Of course, even in normal circumstances, the passage of this Bill would be challenging, given its nature, size, scope and complexity, but it has to be seen against the backdrop of Brexit, as does everything we do and have done for the past two years. We have to not only comply with the GDPR, but do so in such a way that the United Kingdom achieves an adequacy decision from the European Commission, allowing it to continue to operate securely and freely within the framework of the GDPR. I fear that much of what is proposed in this Bill, particularly on the immigration exemption and the national security certificates, jeopardises achieving that adequacy decision, as before granting such a decision the European Commission is obliged to consider a variety of issues, including respect for fundamental rights. As we have heard, the GDPR will evolve over time, and the UK will have to maintain adequacy, and that means amending our data protection to keep it in line with European law.

My final point relates to amendment 147 from the other place, which will have the same effect as implementing section 40 of the Crime and Courts Act 2013. The Minister is aware that although data protection is a reserved issue, both criminal justice and press regulation are wholly devolved to the Scottish Parliament. Furthermore, the concept of exemplary damages does not exist in Scots law, and the Scottish Government have no intention of changing the law for the purposes of incentivising participation in a press regulation system. As it stands, this Bill seeks to regulate the press by means of civil procedure, both of which, as I say, are devolved to the Scottish Parliament.

As I said in the Chamber last week, we believe that all individuals should be able to seek redress when they feel they have been the victim of press malpractice, and the Scottish Government will continue to engage with the Scottish press on independent self-regulation. The Secretary of State has had correspondence on this matter from myself and Fiona Hyslop, the Scottish Government's Cabinet Secretary for Culture, Tourism and External Affairs, who wrote to the UK Government last month making clear the Scottish Government's position on this matter. On the second part of the Leveson inquiry, she was equally clear that press regulation and any associated issues around the culture, practices and ethics of the press would be a matter for the Scottish Government and that in any future inquiry, the distinct legal context in Scotland must be taken into account. It benefits every one of us to have a data protection regime that is transparent and accountable and that has at its heart the rights of the individual to control what happens with their data.

Although there is much that we agree on in this Bill, there are areas that give us serious cause for concern. In Committee, we will therefore table amendments and support others' amendments that seek to address concerns about the immigration exemption, collective redress, automated decision making, the scope of national security certificates and, of course, section 40 as it relates to Scotland. These amendments will seek to strengthen the Bill, to guarantee that everyone's human rights are protected equally and to ensure that, going forward, the UK has the best chance of securing the adequacy decision that it requires, post Brexit.

7.26 pm

Peter Heaton-Jones (North Devon) (Con): I start by declaring an interest, in that before I became embroiled in the world of politics, I was a journalist for 20 years,

although not in the print media—I had the perfect face for radio, so it was the wireless that beckoned. As a former journalist, I take a close interest in two of the matters before us this evening, and I refer to two of the amendments that were made in the other place. I am a bit perturbed as to why we would be dealing with those two specific issues in a data protection Bill, because this Bill seems to be being used somewhat as a Christmas tree, on which all sorts of things can hang, and I am not sure that that is appropriate.

I am sure, however, that the Secretary of State was right to say in his statement last Thursday that the Government will not be accepting those two amendments. I refer, of course, to that on the implementation of section 40 of the Crime and Courts Act 2013, which I shall come on to in a moment, and the amendment providing that we should proceed with Leveson 2. I was glad that he announced on Thursday that we would not be going ahead with that, because it is absolutely the right decision, for a number of reasons, not least because the manifesto on which we were elected nine months ago said that we would not be going ahead with it.

Putting politics aside for a little while, let me say that there are a number of reasons why it is not necessary to go ahead with that. The main one is that the environment has changed dramatically since the first Leveson inquiry. It has changed dramatically since I was last working as a journalist, which was way back in 2006, but even since 2012 and Leveson 1, the landscape has changed dramatically.

Chris Bryant: That is neither here nor there, because the whole point of the Leveson inquiry was to establish what happened. Hundreds of individuals have had to go through the civil courts to try to establish what happened in their individual case. Many of them now know more than the country does about what happened at that time, but they are unable to say so because they have had to sign confidentiality agreements. The truth of the matter is that we still have never got to the bottom of what level of collusion there was between the Metropolitan police and the *News of the World*, and many newspapers have simply lied.

Peter Heaton-Jones: I was coming to some of the points that the hon. Gentleman mentions, but the issue is that if Leveson 2 had gone ahead, it would have been narrowly and tightly about the relationship between the media and the police.

I absolutely welcome Leveson 1: it did a job that needed to be done by shining a light into the dark corners of some media practices and, importantly, giving redress to people who had been wronged by the media—there were too many of those. There are people who feel that it did not go far enough, and some still feel that they did not get their confirmed right of reply, but the fact is that Leveson 1 has happened, and it happened some little time ago.

Leveson 2 would have had the fairly narrow remit of the relationship between the police and the media. The argument I was coming to was that since Leveson 2 was mooted, so much has changed in the regulation of the press, as we have already been discussing. The new regulatory regime is now under way—I might come to some of its drawbacks in a moment—and, furthermore, the practices of the police have changed a lot.

Leveson shined a light on the problems. I take the point made by the hon. Member for Rhondda (Chris Bryant) that the relationship between some officers and some journalists was shown by Leveson 1 to be absolutely inappropriate. I do not believe that we need a costly, lengthy, long-drawn-out second phase of the Leveson process, which probably would not do the job we would be hoping of it anyway.

Chris Bryant: The point is that the investigation is sort of happening now through the civil courts, except that it is individual members of the public who have to fork out £350,000 or £450,000 in legal fees to get to the truth. In Leveson 1, Brian Leveson was expressly not able to look at anything for which there might have been any criminal charges. The fact that the *Daily Mirror* has now admitted—in the civil courts, but not to Leveson—that it did engage in phone hacking is one of the matters that still has not come to the public.

Peter Heaton-Jones: However, Leveson 2 would not necessarily put any of that right.

Chris Bryant: Yes it would!

Peter Heaton-Jones: Well, we do not know that. The difficulty is that a lengthy, costly process that in the end might not even achieve what was hoped for is not the answer. The answer, as the Secretary of State rightly said in his statement on Thursday, is to ensure that we shine a light through proper regulation on the practices that have done wrong to a number of people in the country.

I accept the points made by my hon. Friend the Member for North Herefordshire (Bill Wiggin). We should absolutely focus on the rights of people in this country—people who cannot afford the voice to stand up for themselves—but Leveson 2 was never going to solve that issue. It was going to be a long-winded inquiry that would not have got there, and the Secretary of State made that point convincingly on Thursday.

Christine Jardine: Does the hon. Gentleman not agree with me, a fellow former journalist, that one of the things that has most undermined the reputation of the media in this country in general has been the behaviour of our newspapers, which have seemed to the public to be beyond regulation? Self-regulation has failed and undermined the image of the media. The Press Complaints Commission failed, as the Press Council did. We had an opportunity to put that right, but it has been lost.

Peter Heaton-Jones: The hon. Lady is right that the Press Complaints Commission did fail, which is why it is rightly no longer there and we now have a new framework. While we are talking in general about regulation, I should say that I have some sympathy with the question marks raised over the regulation of my former employer, the BBC. We got that wrong for many years. There was the bizarre situation in which the BBC board—later, the BBC Trust—was acting as both poacher and gamekeeper, marking its own homework. The Government have rightly sought to put that right and we have moved a long way towards doing so.

I do not believe that the answer to the wrongs that still exist in the regulatory regime for newspapers lies in the amendments that have come our way from the other end of the Palace of Westminster. I do not believe that

[*Peter Heaton-Jones*]

they would do the job that, as my hon. Friend the Member for North Herefordshire rightly said, the people outside this place want us to do: to make sure that they have a fair right of reply when something wrong is done to them by newspapers.

Liam Byrne (Birmingham, Hodge Hill) (Lab): I am grateful to the hon. Gentleman, who is being characteristically courteous in giving way to so many Members. Can he point to another area of public policy in which as many suspicions have been aroused, but that has been improved by our collectively deciding to just move on and leave things in the dark?

Peter Heaton-Jones: No one is suggesting just moving on and leaving things in the dark. That is not at all what the Government intend to do. If we look carefully at the words the Secretary of State used on Thursday, we see that there is no question of our moving on and saying, “There’s nothing to see here.” We are saying that the mechanism suggested in the amendments from the other place is not the right way to proceed. I agree with the position taken by the Secretary of State.

Liam Byrne: With the greatest of respect, regulations are forward looking, but the inquiry that we are seeking goes into past malpractice for the simple reason that we would like justice to be done.

Peter Heaton-Jones: I do not believe that the inquiry that the other place seeks, through its amendment, to impose on the Bill would do the job that the right hon. Gentleman wants done. The position that the Secretary of State laid out on Thursday is the right way to proceed. Leveson 2 would simply not do the job that many Members on both sides of the House want it to do.

I am going to move on, as I am thinking about Mr Deputy Speaker’s strictures about timing.

Matt Warman (Boston and Skegness) (Con) *rose—*

Peter Heaton-Jones: However, I will give way to my hon. Friend.

Matt Warman: For the sake of novelty, my hon. Friend is taking an intervention from the Government side.

The one point that my hon. Friend has not yet mentioned is that IPSO is a fundamentally very different regulator—[*Interruption.*] The hon. Member for Rhondda (Chris Bryant) might not like it, but low-cost mediation is a crucial feature that allows exactly the redress that he wants.

Peter Heaton-Jones: I had a lot to say about IPSO and IMPRESS along the lines that my hon. Friend has laid out, but I am aware of Mr Deputy Speaker’s strictures. I have tried to take as many interventions as I can, and page 2 of my remarks will be put down on this green Bench very shortly.

I move on to the second issue that I wanted to raise: the second amendment sent to us by the other place saying that we should commence section 40 of the Crime and Courts Act 2013. That would not be the right way to proceed, and I am grateful that my right

hon. Friend the Secretary of State made that point so clearly on Thursday. Many local papers in North Devon have written to me on numerous occasions expressing deep concerns about the impact that section 40 would have. I mention just three: the *North Devon Journal*, the *North Devon Gazette* and the *South Molton & District News*, which is, incidentally, one of the few papers to have signed up to IMPRESS, the new press regulator.

Freedom of the press is absolutely essential in a democracy. Let us think carefully about what section 40 says: if a paper not under the auspices of a Press Recognition Panel regulator is sued for defamation, for instance, it has to pay the legal costs of both sides, even if it wins the case. How can that be sensible? We might argue that that is a pretty blunt instrument with the intention of coercing newspapers to sign up to one of the approved regulators, but 90% of the national press have not done so, so the blunt instrument is clearly not being effective. The biggest danger, however, is that many small, local media companies, such as those in my constituency that I have mentioned, would simply not be able to run a viable business if section 40 were enacted. Financially, the court costs would cripple them. Individuals could make vexatious claims in the knowledge that there was no chance of their ever having to pay costs, whatever the outcome. That is simply something up with which we will not put.

The local press in North Devon and many other parts of the country is still extraordinarily important. The two main papers I mentioned are still read widely today and help to maintain our sense of community. We cannot face a situation in which such papers are threatened by what could be a series of vexatious claims, encouraged by the fact that there would be no risk to the person making that claim.

Andy Slaughter *rose—*

Christine Jardine *rose—*

Peter Heaton-Jones: If hon. Members do not mind, I am coming to the end of my remarks.

In my 20 years as a journalist at the BBC, I was passionate about freedom of speech and a right of reply, because that is the desperately important foundation on which our newspaper industry is based. I am also desperately passionate about ensuring that people who are wronged in some way by the media are given an effective response mechanism. Neither amendment that has come our way from the other place would achieve that. I am grateful to hear that the Opposition will support the Bill’s Second Reading, and I hope that we will not accept those two amendments and that we will pass the Bill as it was drafted.

7.40 pm

Daniel Zeichner (Cambridge) (Lab): I will not speak about the problems of the analogue past, but instead look ahead to the digital future. It is a pleasure to speak on a Bill that has been subject to very detailed scrutiny by some very eminent people in the other place.

It may seem curious to have such lengthy and detailed legislation before us when the heart of it, the GDPR, is actually somewhere else—it is, of course, in EU legislation. Our discussion is on how to implement it and other such issues rather than on the actual proposals themselves. I dare say that there are some who will jump to the

conclusion that it is yet another example of rules being made elsewhere. However, I take the opposite view, as this is legislation that British representatives helped to fashion in Brussels, and as I will point out later in my speech, because data flows across national boundaries, having a full and frank discussion with one's neighbours is to one's advantage, not disadvantage. By being in the European Union, through the GDPR as in so many other fields, we take control of our future, rather than hunker down in a defeated bunker and wait for others to do things to us—taking back control of nothing other than the ability to bemoan our unfortunate fate.

This debate today is very timely, because on Friday the Prime Minister finally made the first faltering steps towards recognising that reality. I was pleased to see her acknowledge just how important data is to our future—it was one of the four key areas that she outlined—but, even after all the warnings, she still does not seem quite to understand the pitfalls in seeking an adequacy arrangement when, without the freedoms that membership of the European Union gives us to determine our own balance between security and privacy, that balance will be subject to the very different judgment of other EU countries.

I have been fortunate, through my work as chair of the all-party group on data analytics, to learn from a range of very expert people about some of the possible advances that come with a much more sophisticated use of data. I have also learned of the fears that many rightly have about the potential consequences of those same advances. That is why I was pleased that, following the excellent work by the Royal Society led by Dame Ottoline Leyser from Cambridge among others, we do now have the prospect of a data ethics and governance body, and, perhaps unusually, I pay credit to the Government for bringing that forward. Although I have questioned exactly how that will sit within the current structures, particularly with the Information Commissioner's Office, we have the potential to create something really rather important, and I hope that, in further discussion of this Bill, we will be able to explore with Ministers in more detail the future landscape for data governance. We most certainly need such governance, because hardly a day goes by without further concerns being raised in one sphere or another, whether it be internet safety issues or the accurate reporting of news. To put it mildly, this is a big subject.

I will not attempt to address all, or even many, of the issues in the Bill; that can be for another day. Instead, I will confine my comments to one or two areas of particular concern. As someone who was very taken by the account of the potential dangers of relying too heavily on closed algorithms when I read the aptly titled "Weapons of Math Destruction" by Cathy O'Neil, I must mention the concern so many of us feel about the dangers of automated decision making, which so risk hardcoding previous injustices and social and cultural prejudices. In this Bill in particular, I share the concerns already raised about the immigration exemption.

A further concern raised in general about GDPR is the potential unintended consequences on some voluntary organisations, particularly small ones. It may be that the legislation has not always been properly understood, and it may be that some accounts have caused people to be more fearful than they need be, but I was struck just a few days ago to hear from a small charity in Cambridge

that it had decided to discontinue its operations because it was not confident that it could meet GDPR requirements. Stopping small voluntary organisations from helping people is not the intention of this legislation. Indeed, if that is an unintended consequence, we need urgently to find ways to remedy it.

Similarly, we need to make sure that this legislation facilitates, rather than damages, our ability to use NHS data effectively. I know that many are working very hard on that, and that everyone is mindful of previous false starts. In particular, the shadow of Care.data still looms, because, despite good intentions, that programme clearly got it wrong. It failed to win public trust: there was widespread concern that the appropriate safeguards were not in place, and a failure properly to explain potential benefits to patients. It is easy to criticise, but winning trust is a very hard thing to do. The public are rightly concerned that data obtained for one use could then be applied in a different context and could possibly be commercialised. All the evidence is that that is what people particularly revile. We now have another programme under way, which we are told is GDPR compliant, and yet I wonder again just how many people are aware of it and whether we can be sure that there will not be further problems. I hope that, as we discuss this Bill, we can help raise public awareness and understanding, because without that, all the work and effort being put in by so many could be at risk.

I turn briefly to potential impacts on the research sector and universities. I am grateful to the Sanger Institute, located outside Cambridge, and the Wellcome Trust for explaining some of the very real concerns facing the sector, particularly around health data. We know that reviews such as Caldicott have made sensible recommendations, which hon. Members are working hard to get on the statute book. The principle of opt-outs regarding the usage of data collected is sound, and the safeguards such as those enshrined in GDPR are vital for ensuring data subjects' interests are protected in research. However, as currently drafted, the framework for data processing by the Government, which was introduced at a very late stage in the other place, risks undermining that. The ICO also has concerns, as it is not clear that the public can have absolute confidence in the way that the Government use their data, and I hope that we can have some clarity from Ministers over how that can be resolved. It is also worth noting in passing that the introduction of the National Data Guardian for Health and Social Care, which has come about through a private Member's Bill, is welcome but is awaiting Committee stage. The process needs to be speeded up to dovetail with this Bill as a matter of urgency.

There are further concerns. Research institutions tell me that this Bill currently does not provide a clear enough legal basis for conducting research using personal data. They have some fairly straightforward suggestions for improvement, which I hope the Government will consider in Committee, around better defining public interest to make it explicit that it includes research uses, particularly medical research.

Additionally, when I spoke to the Sanger Institute, which has to process data not under the public interest category but under legitimate interest, it was clear to me that it is important that it has confidence about the legitimate provenance of the processed data that it uses, which has often been passed from universities. The research community needs it written explicitly in the

[Daniel Zeichner]

Bill that university research can be conducted legitimately on a “task in the public interest” lawful basis. That is also needed to satisfy guidance from the ICO to confirm that this is an appropriate lawful basis for university research. Although larger institutions may have the confidence to continue with their research and risk challenge, this could present more of a problem to newer or smaller universities. We have huge potential for healthcare transformation and innovation in the UK economy, and to risk that by getting this part of the Bill wrong would be very foolish.

Let me conclude by returning to where I and the GDPR began—with our relationship with the European Union and the extent to which this Bill will or will not help us secure the adequacy agreement that we all agree that we need and that the Prime Minister confirmed that we needed on Friday. Why does it matter? I urge Members to look no further than the excellent work done by techUK, which has explained in detail just how much our economy depends on data flows. Let me share a local example. A few weeks ago, I visited Jagex, a video games developer in my constituency. It was not my first visit. It is a fantastic and inspiring example of what work might be like in the future, and its model is very positive. Visiting Jagex, with representatives from Ukie, the trade body for the video games sector, it was explained to me just how vital data flows are for the sector. It is because these games and their players span many nations, and their data does not respect national boundaries.

On a Friday afternoon, 100,000 people were playing RuneScape—I was told that, over the weekend, there would be more than a million players. Huge flows of data are serviced and maintained by skilled staff in Cambridge, who are from all over Europe and beyond. That is the future, and it is a good future, but it requires that we keep open those flows of data, and—although this is for another day—those flows of people. None the less, we are potentially putting this UK success story at risk. Some of the national security and immigration exemptions in this Bill are potentially enough to deny us data adequacy in the eyes of some countries in the EU. We need to ensure that this Bill is not going to cause us harm further down the line.

There is also the question of timing. These are complicated and controversial issues, but the Bill must be on the statute book in a mere two months’ time—on 6 May—for the new rules to be in place for 25 May. Missing the GDPR implementation date really is not a great look for a country that is trying to achieve a data adequacy agreement with its international partners.

We may also need to assess other countries for their adequacy. Who is to do that assessment? The ICO does not feel that it is appropriate for it to do that, so is the Department for Digital, Culture, Media and Sport really ready? Does it have the resources? Has the work started? And what of the complexities of the relationship with the United States of America and the privacy shield? At the moment, we are covered by the data privacy shield as an EU member state and a similar arrangement would be welcome, but the American system is complicated, with no federal oversight and it may not be quick.

I welcome this Bill overall, but significant challenges remain. I look forward to seeing how the Bill will be improved in Committee, particularly around safeguarding

data owners’ rights, ensuring that we can make best use of our health data, and ensuring that universities and researchers have the clarity that they need to continue their excellent and life-saving research.

I hope that the Minister will go further to explain the ways in which she is preparing for adequacy decisions that may need to be both applied for and made by the UK in the coming months and years. Most importantly, perhaps, I hope to learn further from Ministers how this Bill will be adapted so that our approach to the balance between privacy and security is sufficiently aligned with EU standards, meaning that adequacy can be achieved smoothly. I am afraid that “ambitious managed divergence” simply will not cut it, and I leave the Minister to explain how the conundrum can be resolved.

7.51 pm

Richard Drax (South Dorset) (Con): It is a genuine pleasure to speak under your chairmanship after your absence, Mr Deputy Speaker. Welcome back; it is lovely to see you here.

I was a journalist for 17 years: five with the local press, two with the local media and ending up with 10 years at the BBC. I therefore have an interest in this debate, particularly in the Lords amendments, with which I entirely disagree.

In my very brief speech—time is pressing—I would like to take the House back to the royal charter. Everyone in the House will remember that all parties agreed at the time that, as a consequence of the phone hacking, there should be a royal charter. I have been in this place only seven years so I am still a whippersnapper in that sense, but I have always been very concerned when parties on both sides of the House agree with something. It normally means that something is dramatically wrong. Fifteen MPs voted against the royal charter. I and 14 others realised that there was some state control or state implication that would interfere with the free press. We were not happy with that, so we voted against it.

The key point—a point that I have yet to hear from any party on either side of the House—is that phone hacking is illegal. People are not allowed to do it, and as some journalists have found, they go to jail if it is done. Now, I do not want to take away from those who have suffered or the victims of phone hacking, including the royal family, of course. It was simply appalling. As a former—I would like to think—honourable journalist I personally never took part in that activity; nor did I know anyone who did. This is another point: phone hacking was done by a tiny minority of journalists, who were wrong and who caused immense damage to the reputation of the press in this country.

In my very humble opinion, the press in this country is one of the cornerstones of our freedom and democracy. As I have discovered in the short time that I have been here, when we tinker with legislation it is all too often a huge sledgehammer to crack a nut. Those who are introducing legislation and those who are debating it often do not think about its consequences. What would happen if we started to impede and encroach on the freedom of the press? The press understandably reacted with anger, claiming that the royal charter would destroy local papers who simply could not afford it. As my hon. Friend the Member for North Devon (Peter Heaton-Jones) said—this is true and quite extraordinary—section 40 of the Crime and Courts Act 2013 forced newspapers

that had not signed up to a state-supported regulator to pay their own and, indeed, their opponent's legal costs in libel cases, even if they won the case. That is not freedom of the press. It is not even fair law. It is bad law, made on the back of a terrible wrong committed by a very few people in what is generally, across the world, a highly respected business or profession—that is, the press in this country.

I have been the victim of some pretty interesting press reporting. I confess that I have been trying to put some solar panels on my land. I remember that one columnist in the *Daily Mail* wrote a double-page spread that was inaccurate. Having read it, I felt as though I had almost murdered someone. I was somehow this appalling landowner who wanted to do these appalling things. I had imposed my will on my tenants, crushed debate and all these things, but none of it was true. In fact, the opposite had been true and always is in that case. To be fair, the paper did ask me for a comment but I knew that, were I to comment, it would be a small piece at the bottom right of the article, and that the other two and a half, three or four columns would all be anti-Drax. But I can live with that because I want a free press in this country. I want a free press to hold us, businesses and powerful people—yes, like Mr Mosley—to account. If I were in the wrong, the press would have a right to dig out of me what I had done wrong, even though I might not want them to do so.

Andy Slaughter: Does the hon. Gentleman think that people such as the McCanns, Milly Dowler's family and Christopher Jefferies should live with the consequences of being traduced and victimised by the press? Does he not feel that casting the press as the victims, when we know that they are actually controlled by a small number of extremely wealthy and irresponsible individuals, is putting things exactly upside down?

Richard Drax: Forgive me, I did not quite hear the first part of the hon. Gentleman's question, but I think that I got the general gist. The point about multimillion pound media barons is a red herring. I have worked in many media institutions, including newspapers and other organisations, and those people do not get involved. We were left very much to our own devices to report accurately, fairly and truthfully. Yes, they may be very wealthy, but good luck to them. They—or their fathers or grandfathers—have worked extremely hard to build up a business that employs tens of thousands of people in this country.

The point must again be made that the online media in this country—[*Interruption.*] The right hon. Member for Birmingham, Hodge Hill (Liam Byrne), who I seem to recall told us that there was no money left, groans from a sedentary position. Online, anyone can say what they want, and they do. There is no recourse for the many thousands of victims of online abuse, intimidation and threats—threats to kill. What comeback is there for them? Nothing at all. That is where I urge the Government to look very carefully to ensure that the online media face the same standards that the national press would face.

I am not going to keep the House waiting much longer, because others want to speak. It is my view—along with others, I would think—that only those with anger, revenge or even guilt in their heart would support these amendments and damage a free press, which is the cornerstone of our democracy. The Leader of the Opposition wants to

crush the press; I think, “We’re coming for you” is what he said. No, that is not what the British people want and they certainly will not vote for it. A free press is all important.

7.58 pm

Stephen Timms (East Ham) (Lab): Like my hon. Friend the Member for Cambridge (Daniel Zeichner), who gave an excellent speech a few minutes ago, I will focus my remarks on the data protection aspects of the Bill. The Minister will have seen the press report this morning on research carried out by the Federation of Small Businesses showing that fewer than one in 10 small businesses is fully prepared for the obligations that this legislation imposes on them, and just under one in five has not yet heard of the GDPR. These obligations all take effect at the end of May—in less than three months’ time—so whatever the merits of this Bill, there is clearly a huge amount of work to be done in drawing the attention of those affected to what it means.

Ministers have made some changes to the Bill during its passage through the other place since we last discussed it in this Chamber on 12 October. In that debate, I and others made the point that my hon. Friend the Member for West Bromwich East (Tom Watson) made earlier—that leaving article 8 of the European charter of fundamental rights outside UK law poses a serious threat to our achieving a data adequacy determination from the European Commission in future. I therefore welcome the addition of what is now clause 2, which partly addresses that. However, I do not think it goes far enough, so I will be supporting my hon. Friend's proposal that article 8 should be added to our statute book. Lord Stevenson tabled an amendment in the other place that said:

“The protection of personal data may not be lawfully restricted or limited unless such restrictions and limitations are consistent with the principle of proportionality.”

That is an important additional protection that ought to be in the Bill. I hope that we will be able to debate that amendment in Committee.

There is some confusion in the Government about all this. The Secretary of State set out how important it is that we keep our UK data regulation aligned with the regulation in the European Union because of the importance to the UK economy of personal data transfers between the UK and the EU. He is absolutely right about that. However, in recent months, the Foreign Secretary and the International Trade Secretary have suggested from time to time that it would be a good thing if the UK could deviate from EU rules on data protection. Last July, for example, the International Trade Secretary said in the United States—I am quoting from a report in the *Financial Times*—that the UK was more in line with US calls for information to be allowed to flow freely across borders while Germany and other EU countries insist on localisation. He was getting a bit confused about two different things, but he is clearly suggesting in that remark, as in others, that it could be a good thing for the UK to deviate from EU data protection rules. In fact—the Secretary of State is absolutely right about this—it would be a disaster for the UK to deviate from EU data protection regulation, because if the EU were to judge our data protection rules to be inadequate, a large chunk of the UK economy would immediately be without any lawful basis. That could affect exactly the kind of innovative company to which my hon. Friend

[Stephen Timms]

the Member for Cambridge drew attention—a games company with players all over Europe who, as a part of playing the game, need to be able to send personal data between their country and the European Union.

Matt Hancock: The right hon. Gentleman has made this point in these debates several times, and I want to reassure him on the Government's precise position. I stated this in my remarks, not speaking from notes, but let me read to him what the Prime Minister said in her speech on Friday:

“we will be seeking more than just an adequacy arrangement and want to see an appropriate ongoing role for the UK's Information Commissioner's Office. This will ensure UK businesses are effectively represented under the EU's new ‘one stop shop’ mechanism for resolving data protection disputes.”

So there you have it.

Stephen Timms: I am grateful to the Secretary of State, and I welcome that commitment on the part of the Prime Minister.

The problem is, however, that the International Trade Secretary and the Foreign Secretary have been saying different. That led to techUK, the industry body, writing to the International Trade Secretary last month to highlight the dangers. This was reported by that reliable publication, *The Daily Telegraph*, on 19 February, with the headline: “Tech industry warns Ministers not to drop EU security laws”. The report began:

“The British tech industry has issued a stark warning to leading Brexiteer ministers that diverging from EU data protection standards after Brexit will ‘undermine’ the UK's status as Europe's leading tech hub.”

The Secretary of State is absolutely right not to have gone down the same road as his right hon. Friends, and I very much welcome what the Prime Minister said about all this on Friday. However, there is clearly a problem in the Cabinet. I gather that after sending that letter, techUK received a reassuring response from the Department, and then a few days later a non-executive director at the Department for International Trade was quoted as saying, “Complying with EU standards on data is not the only solution.” But the truth is that for a large part of the UK economy, it is the only solution. We need to be absolutely clear about this. I am delighted that the Secretary of State is clear about it. Of course, that is why he is bringing this Bill before us and why he has altered it in line with what a number of us said in October.

Matt Hancock: I hate to take the wind out of the right hon. Gentleman's sails, but it was unusual to receive that letter from techUK, because rarely as a Minister have I been lobbied so strongly in support of my own position.

Stephen Timms: I am glad that the Secretary of State has been lobbied in support of his own position, but he needs to watch his back against Ministers who lack the clarity that he has expressed—particularly the International Trade Secretary and the Foreign Secretary, who continue to say that there is merit in divergence. There is no merit in divergence at all. Significant numbers of tech start-ups are already going to Berlin rather than basing themselves in the UK because of the uncertainty about this issue. The more uncertainty there is, fanned by some members of the Cabinet, the greater the economic damage to the UK.

This is a very clear example of the situation we are going to find ourselves in more and more when we have left the European Union. It will be asserted that because of our economic interests, in this case, we should comply with rules drawn up by the European Union—in this case, the general data protection regulation—but we will no longer have a vote about what those rules should be. We will become a rule-taker. I welcome the commitment that the Prime Minister has made to a place for the UK's Information Commissioner on the European data protection board. That will be helpful. It means that we will at least get a voice in these discussions when the rules are being drawn up—but we will not get a vote. We will be less influential in EU data protection laws than we have been as members of the European Union. We need to recognise that our influence, including over laws that we are going to have to implement ourselves, will be less in future than it has been up to now.

I would very much welcome the Minister telling us—my hon. Friend the Member for Cambridge made this point as well—how, in future, we are going to make adequacy determinations about other countries' data protection laws. Are we going to adopt the EU list and say that those 12 countries are adequate and others are not, or are we going to have our own processes? How is it going to be done?

I echo the concerns expressed by a number of Members about the threats to our future data adequacy determination that come from the immigration exemption and the national security exemption. Those were not well defended by Ministers in the debates in the other place, and the justification for them is not clear. As others have said, they leave us open to criticisms of our data protection regulations that could threaten our future adequacy determinations. I am very keen to hear the Minister's response to those concerns in particular.

8.9 pm

Colin Clark (Gordon) (Con): It is a pleasure to follow the right hon. Member for East Ham (Stephen Timms).

As we prepare to leave the European Union, this country is committed to remaining a global leader on data protection. Data flows are important for the UK and the EU economies, and we recognise the need for safeguards. The Bill is important in both promoting the flow of information sharing and protecting individuals' personal data, while complying with the EU framework. It will ensure that our domestic data protection rules are aligned with our economic partners at the point of exit from the EU.

I welcome the measured response of the hon. Member for Argyll and Bute (Brendan O'Hara) to the Bill. While I agree that a balance must always be maintained between press freedom and the freedom of the individual, the amendments passed by the House of Lords are a direct threat to press freedom. This Government want to ensure that the press is well regulated and has high standards. As my hon. Friend the Member for North Devon (Peter Heaton-Jones), who is no longer in his place, said, the amendments would do damage. Newspaper circulation continues to decline.

Christine Jardine: Would the hon. Gentleman contend that in the pursuit of press freedom, we should also do away with contempt of court and libel? That, to me, as a former journalist, is equivalent to suggesting that we

should overturn the House of Lords amendments. The press is already regulated, and those regulations are important. It is important that we continue to ensure that we have a responsible press.

Colin Clark: I thank the hon. Lady for her intervention. I have great respect for her, having debated with her on many occasions as we both tried to get elected to this place. I think that the amendments go a lot further than that and will do damage, and that is the crux of it.

Leveson 2 is unnecessary and would be backward-looking, as other Members have said. Regulation has moved on. The rise of digital news has led to the closure of hundreds of local newspapers, and commencing section 40 would threaten their fragile financial viability even more. The venerable newspapers in my own area—*The Press and Journal* and *The Courier* in Dundee—are important to the north-east of Scotland, but their sales have dropped by 10%. Section 40 would be calamitous to those papers. Local papers will become more important as we devolve powers to local communities, which we want to do. The *Huntly Express* and the advertisers, which have carried many stories on the hon. Member for Edinburgh West (Christine Jardine) and myself over the years, would be undermined and threatened. We cannot see that happen if we want local democracy to continue.

Politicians deciding how newspapers should behave is a direct threat to our democracy, of which a free national and local press is an essential component. The data protection regulator, the Information Commissioner's Office, will go a long way to defend consumer interests and can issue higher fines of up to 4% of global turnover. I was glad to hear the Secretary of State reassure us that the burden on businesses will be reduced. The UK is and will remain a safe destination for personal data. The Bill will help Britain prepare for a successful Brexit and make its own laws in the future.

8.12 pm

Joanna Cherry (Edinburgh South West) (SNP): Like my hon. Friend the Member for Argyll and Bute (Brendan O'Hara), I broadly welcome the Bill and its aims. A strong data protection framework is essential for the protection of human rights, particularly the right to privacy. Having a strong data protection framework is also key to the granting of adequacy by the EU Commission following the UK's exit from the European Union, which of course I very much regret. However, the Bill falls short in the protections it provides in a number of areas, many of which have been ably outlined by my hon. Friend.

I want to focus on the immigration exception. Many of my hon. Friends and I have had emails from constituents who are particularly concerned about it. I am indebted to the Bar Council and the Immigration Law Practitioners Association for the briefings they have provided. Like others, they have pointed out, as I said in my intervention on the Secretary of State, that paragraph 4 of part 1 of schedule 2, which provides for the immigration exemption, is not reflective of the stated permissible exemptions under article 23 of the GDPR. If the Bill goes ahead unamended, it could cause us great problems for any finding of adequacy when we leave the European Union.

If enacted, that exemption will allow the Home Office, for the purposes of immigration control, to deny individuals access to their personal data—information that people

can currently access by making a subject access request. The availability of that information is often vital to the fairness of legal proceedings in which individuals need to enforce or protect their rights. For example, for an individual effectively to challenge detention or an unlawful decision by the Home Office, or to make an application for immigration or asylum, they need to understand their own immigration history and to know what information the Home Office holds about them.

This is the information on which claims and legal challenges are often based. When both sides do not have access to the same information, the fairness of legal proceedings is inevitably compromised. Subject access requests are the only route through which legal practitioners can obtain access to that information and understand what are often complicated immigration histories. We all, as Members of Parliament, have experience of complicated immigration histories of people who come to see us in our surgeries. The reality is that many of these people do not have access to the relevant documents, or an accurate recollection or legal understanding of their circumstances. These concerns are not fanciful; they are very real.

To give an example, when someone is held in detention, they do not have access to their paperwork, for obvious reasons. They need their solicitor to be able to make a request to the Home Office to get the necessary information. Another important example is applicants who have been the victims of domestic violence, who have often been controlled by their partners for years. We introduced legislation in Scotland recently to deal with coercive control and recognise it as a real problem in domestic abuse. When a woman, or indeed a man, has been the subject of coercive control for many years before seeking help with immigration matters, a subject access request may be the only way of establishing the basis of any application for settlement and of obtaining independence from an abusive partner.

Sir Edward Davey: I am grateful to the hon. and learned Lady for giving way; she is making an excellent speech. Is it not ironic that the Government are planning to consult on improving protections for women who are the victims of domestic violence, but in the Bill they are taking protections away from some of the most vulnerable of them?

Joanna Cherry: Indeed it is ironic, and actions speak louder than words. I will certainly raise that matter with the Under-Secretary of State for the Home Department, the hon. Member for Louth and Horncastle (Victoria Atkins), who very decently has offered to meet me to discuss legislation that the Government have in mind about domestic abuse.

Those are just two examples of when it is very important for legal advisers to be able to make a subject access request to the Home Office and not to be met by the sort of brick wall that this immigration exemption, if enacted, would allow. I say “just two examples” because the Immigration Law Practitioners Association has produced, in an annexe to its briefing, a large number of real-life cases that illustrate the very wide range of circumstances in which subject access requests are used and are essential.

It is a sad fact that the Home Office has a well catalogued track record of making unlawful decisions. In a recent answer to a House of Lords question,

[Joanna Cherry]

the other place was told that in the 10 years to 2015, 250,000 appeals were allowed against the Home Office. Allowing the Home Office an exemption from subject access requests in immigration matters will have the effect of insulating the Government from challenges to unlawful decision making, and that is just not right. The Home Office does not apply the law as it has been mandated to by Parliament—or with the consistency that it should. That is why it loses so many cases in the courts.

We often come to the House to hear criticisms of Home Office procedures. While we cannot rectify those procedures under the auspices of the Bill, what we can do is not allow the status quo to get any worse. I exhort the Government to remove this exemption from the Bill, particularly as there are other exemptions in it that the immigration authorities can seek to rely on for the processing of personal data in accordance with their statutory duties and functions, or in the case of an offence having been committed.

This broad-ranging exemption will impact substantially on human rights, and it may also impact on an adequacy decision from the European Commission. Indeed, EU citizens today expressed their concern that these exemptions might have an impact on their ability to enforce their residency rights after Brexit, under the agreements currently being brokered. I urge the Government to look at this very carefully. They have yet to give any reasonable justification for the inclusion in the Bill of this very broad exemption, and I look forward to hearing one, if it is brought forward.

I share the concerns that led to amendments being passed by the Lords, and the cross-party concerns expressed in this House last week when the Government announced their decision to renege on the commitment to hold the second part of the Leveson inquiry. I was very glad to hear the points of order earlier on what Sir Brian Leveson actually said in his letter about his desire for Leveson part 2 to go forward.

I am not convinced by the reasons given by the Government for their decision to ditch any plans for Leveson 2. I endorse what the hon. Member for Rhondda (Chris Bryant) said in this House last week: he said that Members

“should be able to speak without fear or favour.”—[*Official Report*, 1 March 2018; Vol. 636, c. 971.]

That principle is as important as the freedom of the press, because the need for Members of Parliament to speak without fear or favour comes from the same right as the freedom of the press: the right to free speech and freedom of expression. I am sorry to have to say that I believe that the UK Government have acted out of fear of the press barons, and through favour, because so many of those press barons share their narrow right-wing agenda. There have been many genuine victims of press abuse, from grieving parents—everyone knows whom I am speaking about—to the relatives of those who died in the Hillsborough disaster, and they deserve better than this.

My hon. Friend the Member for Argyll and Bute made it very clear that it is not acceptable that the House of Lords should seek to legislate on matters devolved to Scotland; previously, section 40 applied only to England

and Wales. As this is a devolved matter, what happens on press regulation in Scotland is for the Scottish Parliament. Although my colleagues in the Scottish Government have no plans to legislate in this area at the moment, there is debate within the SNP, as in the other political parties, about the best way to ensure that the terrible abuses uncovered by Leveson do not happen again.

In this House, promises were made by the UK Government to implement Leveson's recommendations, and suspicions have rightly been raised about the motivation for the U-turn in the Conservative party manifesto—a U-turn that was completed with last week's announcement. It is important to be clear that this is a volte-face on a previous cross-party agreement. I have yet to be convinced that there is not still the same need for the section 40 legislation, and I have previously tried to debunk some of the myths when I have spoken about it in this House.

Let us not sweep these issues under the carpet—let us have a full and frank debate about them—but we should not let the Leveson issues completely dominate the debate about the Data Protection Bill, because it covers very important issues beyond Leveson, of which I have mentioned only one: the immigration exemption. I look forward to debating these matters further as the Bill progresses through the House.

8.23 pm

John Lamont (Berwickshire, Roxburgh and Selkirk) (Con): I am delighted to take part in this debate on the Data Protection Bill, and it is a pleasure to follow the hon. and learned Member for Edinburgh South West (Joanna Cherry).

In my brief contribution, I will focus mostly on amendment 147, passed by the other place, which would implement section 40 of the Crime and Courts Act in relation to data protection. I am pleased that the Government will seek to overturn it. If it remained, it would be a huge blow to each and every local newspaper in the Scottish borders in my constituency. Under the provision, all newspapers and magazines not signed up to the state-approved regulator would be liable to pay for the other side's costs in an action for a breach of data protection, whether they win or lose the case. As data touches on virtually every aspect of journalism, a legal action relating to almost any action by our press could be dressed up in a way that would take advantage of this provision.

For all publishers in the Scottish borders, this could have serious consequences. The recently set up *Hawick Paper* or the community-run *Eskdale & Liddesdale Advertiser* could not afford to risk a case going to court, given the crippling costs that might be involved. They would have to stop investigating a story, or print an apology for something that was actually true. The alternative would be going to court and possibly paying the costs, even if they were successful. Even the titles backed by the Johnston Press machinery in the borders, such as *The Southern Reporter* and *The Berwickshire News*, could face closure if any claims were brought against them. Johnston Press recently announced significant losses, and any further setbacks might result in the loss of further local titles, not just in my constituency, but in many other parts of Scotland. It would be the same for the *Borders Telegraph*, which covers another part of my constituency in the Scottish borders.

I find myself in the rather, if not extremely, odd position—this might be the only time I can say this—of agreeing with Nicola Sturgeon. Last year, she said in relation to section 40:

“I don’t think it’s an exaggeration to say that it would threaten the viability of local newspapers.”

The purpose of the Attlee amendment was to incentivise media operators to sign up to press control in respect of data protection claims. This may well be a laudable aim, but section 40 is a clunky way of achieving it, and amendment 147 was not the appropriate vehicle to address what is a much wider issue, not restricted to data protection.

This Bill is concerned with modernising data protection laws, not press regulation, and there is much to be found in this Bill that is welcome. It is certainly time, in this digital age, for an update of our legislation. Much of the Bill implements the EU’s general data protection regulation, which the UK helped to shape. By adopting it in domestic law, we ensure that businesses are able to operate across international borders as we leave the European Union. We have also exercised our right to derogate from the GDPR on key areas, such as the age of consent and freedom of expression in the media. I believe it strikes the right balance between individual protection and allowing the free flow of data.

I therefore welcome the Bill, and I particularly welcome the intention of the Government to reverse the amendments made in the other place, which I believe would in effect restrict the freedom of the press and might damage the local press, not only in my constituency, but in many other parts of Scotland.

8.27 pm

Darren Jones (Bristol North West) (Lab): I declare my interests as set out in the Register of Members’ Financial Interests.

The data economy is a significant part of the UK economy, with techUK estimating that it will be worth over £240 billion by 2020. As a Bristol Member, I represent part of a region with the largest digital economy in the country outside London. Tech City estimates that £8.1 billion is generated in revenue from the data economy in the Bristol and Bath region.

Digital transformation is not all about business revenues, important as those are. It is about the modernisation of our public services—including, as my hon. Friends have said, the use of citizens’ data owned by the state, such as NHS data—where we fall significantly behind our European neighbours, and about the digitisation of traditional industry, where we also fall behind. Efficient spending of taxpayers’ money on modernised public services and the cracking of our economic productivity challenge will flow from this technological reform. However, as my hon. Friend the Member for West Bromwich East (Tom Watson) said, we must also remember that this is about people as well as processes. I welcome the work that he and others did on the future of work, and I hope that we can debate those issues further in this House.

While digitisation is not all about personal data, it goes without saying that the Bill is incredibly important by providing a comprehensive framework for the collection, processing and protection of citizens’ personal data, and in setting out the rights and enforcement actions that citizens, as data subjects, will have. However, the Bill needs to go further, because this is about something

much more fundamental. Yes, we have a role to play in topics such as an industrial strategy and reform of our public services, but we also set the ethical and values-based legal framework on behalf of our constituents. This is about applying traditional civil liberties in a modern setting, where our constituents feel informed, empowered and in control when it comes to the use of their personal data. The Secretary of State said that the Bill would help consumers to build trust. There are good laws on the statute book today, but citizens do not necessarily trust everyone who uses their data, because they do not understand how it gets used or what their rights are. While the Bill is an improvement, I hope more can be done to educate and inform citizens about their rights and build that trust.

Given the time constraints on the Bill—UK derogations need to be on the books by 25 May, and the law enforcement directive by 6 May—I understand why the Government would like debate on it to be narrowly focused. In many ways that is a shame, as this is a prime opportunity to debate some of the most pressing public policy issues of the day. In one way, that is one of the greatest challenges for the Bill, because—this is not a criticism but a statement of fact—this debate is about more than what is in the Bill. The general data protection regulation, which we have heard about this evening and will apply automatically in a few months’ time, will not be implemented by this Bill. If Brexit happens, the regulation will be copied and pasted into UK law under the European Union (Withdrawal) Bill—I say to those on the Treasury Bench that I am optimistic regarding “if” Brexit will happen—yet to my knowledge we have not debated the GDPR or its interpretation in this House. I assume that we will have that opportunity when we consider the GDPR statutory instrument under the withdrawal Bill process.

Other issues include the e-privacy regulation, which is currently stuck in trialogue in the EU; the implementation of the network and information security directive to address cyber-security breaches; and the establishment and purpose of the data ethics unit in the Minister’s Department, a body whose work I hope the House will have further time to debate. I welcome the Information Commissioner’s comments before the Science and Technology Committee a few weeks ago, when she suggested that the new data ethics unit could be the place for public debate about what the public find acceptable in this new, fourth industrial revolution, and that it should not take on enforcement powers, which the ICO currently has. I hope that this place, as well as that unit, will be able to lead that debate with the public.

There are many issues that warrant debate—I look forward to rehearsing them in Committee—ranging from the requirement for human intervention in the use of automated decision-making algorithms, which is something that I and other hon. Members on the Science and Technology Committee have been looking at in detail, to the application of the law to newly defined processes such as the re-identification of pseudonymous data and the public policy requirements to protect children online, not just from criminal issues but from commercial exploitation, through to powers of collective redress for citizens who might not feel able to bring forward complaints or claims of their own. There are also other, most important issues, such as whether the Secretary of State has appointed his own data protection officer for the Matt Hancock app.

[Darren Jones]

Sadly, time does not permit that debate today, so I will focus my final remarks on some issues around the most important process of getting an adequacy decision from the European Commission. First, and in line with the Prime Minister's latest views that she gave us from the Dispatch Box today, we must be honest about the need to comply with EU law in the future, because to maintain our finding of adequacy, we must continue to be adequate. The European Commission does not take a snap-shot view and say we are adequate for ever more, but will make an ongoing assessment of our compliance.

That means implementing the decisions of the European data protection board, which is subject to the jurisdiction of the European Court of Justice. I hope that Ministers will not say that we will not comply with those decisions, because we would risk failing to win our adequacy decision. Although I agree with the Government's aim of securing a seat at the table of the data protection board for our Information Commissioner, as she said to me at our Select Committee a few weeks ago, third-country representatives have little influence and, of course, no vote. As a Canadian, she knows that well from her previous work. We must therefore be honest in saying that we will continue to apply EU law as it comes from the European data protection board but that we will have no seat at the table in defining it.

To turn to the debate between my right hon. Friend the Member for East Ham (Stephen Timms) and the Secretary of State about the divergence of views among those on the Treasury Bench, we have seen today that the principle of "America first" will be at the heart of any prospective trade deal with the United States of America, meaning that for agricultural products, for example, the US regulatory framework takes precedence. I hope there is no inclination from the Government, in trying to seek a digital trade deal with the United States, to go for a US-style regulatory framework rather than one with the European Union.

Secondly, there are serious concerns about the Government's powers under the Bill—from their ability to self-legislate derogations for themselves for extremely broad reasons, such as the exercise of their "official authority", which I think means "anything at all", to the ability of various Departments to share personal data without citizens' knowledge, such as by using pupil, medical or police data for the again broadly defined purposes of "immigration control", which has been mentioned frequently in this debate.

Lastly, there is the issue of national security. The case in the name of my hon. Friend the Member for West Bromwich East brought a challenge against the Government's bulk collection of data powers under the predecessor legislation to the Investigatory Powers Act 2016. Interestingly, that case relied on rights in the privacy directive, which we are not discussing today, and articles 7 and 8 of the EU charter of fundamental rights, which the Government seek to abolish under the European Union (Withdrawal) Bill. I hope the data framework that we establish will not prevent such further challenges against national security measures.

The Government seemed to anticipate the application of the ECJ ruling by the Court of Appeal in the case of my hon. Friend the Member for West Bromwich East and others and consulted last November on what amendments were needed to the Investigatory Powers Act to bring it

into compliance with the ECJ ruling. In my view, the Government's position seeks merely to make the case that this whole conversation is one of national security and therefore irrelevant to the European Union. However, as the Schrems case shows, the overall data protection culture of a third country, including its powers of mass surveillance for national security purposes—itsself not an EU competence—will be taken into account by the European Commission when deciding on advocacy.

I hope the Minister has a clear answer for the House about how the Government seek to remove fundamental rights, while balancing them to seek adequacy, and whether she has any further insight into what the Prime Minister meant today by getting something "beyond adequacy". I am a man of definitions and I have been somewhat confused. The Secretary of State previously talking for something akin to adequacy, and I believe that what we need is adequacy. The Prime Minister is now talking about "beyond adequacy". It would be useful to have clarity on what those terms mean.

Finally, let me make a short comment about Leveson 2. I might understand a Government's intention to dilute regulations for the regulation of the press that they see as too restrictive—something, I should add, that I disagree with—but I find it extremely hard to understand how a Government with any heart can decide with such haste and disrespect to bring to a close the ability for people who have been victims of press intrusion to seek clarity and justice. That seems both heartless and unnecessary, albeit perhaps politically expeditious. I hope the Government reconsider their position on that most important matter.

8.36 pm

Mike Wood (Dudley South) (Con): I intend to speak only briefly, as this is a strong Bill that will empower people to take control of their data. I am pleased to see such broad support for it receiving its Second Reading, but I am not able to support the provisions in the Bill that would implement section 40 of the Crime and Courts Act 2013. It seems that I am one of the few Members speaking in this debate who has not had to declare an interest as a former journalist—unless, Madam Deputy Speaker, you count four days' work experience with the *Stourbridge News* 25 years ago, just to put that on record. A lack of journalistic experience, however, does not mean not understanding or appreciating the importance of a strong and free media for our political, community and social lives.

The relationship between politicians and the media ought to be uneasy. It is safe to say that the press and the media more broadly can be something of a pain in the neck. On occasions, that sensation may be felt in an area a little lower down, and I know that from personal experience. Shortly after I was elected, I stayed at the Carlton hotel at the back of Victoria station. No one could describe it as luxurious, yet *The Guardian* reported this as claiming on expenses to stay at the Ritz. If I could negotiate a room at the Ritz for £119 a night, I feel that the Prime Minister might find a role for me in the current negotiations. Clearly, people will have different levels at which they feel the need to respond to such inaccurate claims.

Mr Gregory Campbell (East Londonderry) (DUP): The hon. Gentleman says that some sections of the media can be a pain in the neck. No one should take

exception to that. Setting aside any pains anywhere, the problem many of us have is that on occasions some sections of the media are exceptionally unfair. They do not seek balance and they do not seek equity in terms of the various parts of any debate. That is why many of us have a problem, particularly with the broadcast media, including certain sections that we pay for.

Mike Wood: I understand exactly the hon. Gentleman's point, with which I have a little sympathy. However, when the media are behaving unfairly and something is inaccurate, distorted or misleading, it is of course right that there are proper procedures for redress. I have absolutely no problem with greater access to justice, but, on the measure's own terms, it would fail in this regard.

Clearly, the hope is that the proposal would somehow pressure the media into signing up to a state-approved regulator, but for those who remain outside such a system, changing the basis for awarding costs would not improve access to justice. It would not prevent our libel and defamation laws from being the preserve of the already rich and powerful. All it would do is deter proper, quality investigative journalism. It would deter community and local reporting, where, shall we say, conflict within communities is not unheard of. If, when a claim is brought, there is an assumption—not quite but almost without regard to the merits of the case or who the claimant is—that the defendant will have the costs awarded against them, that is an enormous disincentive to continue with a story, even when doing so is clearly in the public interest. It must be the case, when there is criminal behaviour and when something is actionable—

Liam Byrne: Will the hon. Gentleman give way?

Mike Wood: I am just concluding. When something is criminal, the full weight of the law should fall on those who break it. When something is actionable, we need streamlined procedures that actually work—an array of alternatives, not just the one-trick pony in this proposal. However, when publishers are confident that their story is accurate, fair and proportionate, the only proper response is to publish and be damned.

8.42 pm

Christine Jardine (Edinburgh West) (LD): It is a great honour to follow the hon. Member for Dudley South (Mike Wood). It is fair to say that my party broadly supports much of this Bill, which is a vital component in our continued and smooth co-operation with the EU, should Brexit go ahead, but that support is not without qualification, which I shall come to shortly. As an EU member, we are assumed to be compliant with the requirements of the Union, but as a third party we will be required to demonstrate a suitable standard of protections. Failure to do this would jeopardise the co-operation that even the most zealous Brexiteers, I should imagine, want to maintain in defence and security.

The Data Protection Bill and the general data protection regulation bring existing best practice into law. This is not an onerous burden; it is a natural progression for information rights in the digital age. However, we have reservations about some aspects that we will discuss later. My right hon. Friend the Member for Kingston and Surbiton (Sir Edward Davey) intends to speak about the proposed immigration exemptions. I had

intended to concentrate on areas that deal with our personal data and the help that industry and charity organisations will need to cope with this regulation, but as the debate has progressed, I have become increasingly concerned about the Government's intention to overthrow the amendment by the House of Lords. The Data Protection Bill is an important vehicle through which to bring forward recommendations from the Leveson inquiry, as this House promised to do. Data processing for investigative journalism purposes must strike a balance between press freedom and the individual's right to privacy.

As a journalist, I value freedom of speech and freedom of the press as much as any other person. As a journalist, I was always impressed by and proud of colleagues who uncovered miscarriages of justice, political corruption or malpractice in India, for example. The freedom of the press to scrutinise and hold to account those in power—as the hon. Member for Dudley South said, the relationship between journalists and politicians should not be an easy one—is vital in a democracy. It must not, however, be at the cost of the individual—to their privacy in times of grief or hardship, to their hard-won personal and professional reputations—or mean chasing them when they have done nothing wrong other than perhaps disagree with the stance of a newspaper. That cannot be the way.

Newspapers in this country are not free of regulation. Broadcasting has to apply the standards set by Ofcom. Newspapers have to abide by the law of libel, contempt of court and the criminal code. All those things are necessary, but in an increasingly digital age it is necessary to ensure that all publications abide by data protection regulations. It is more than 20 years since Calcutt warned the press that they were drinking in the last chance saloon. Well, they have had their drink and frankly they have been thrown out. The Press Council failed; the Press Complaints Commission failed; and this House promised to bring forward a statutorily underpinned body. Self-regulation with statutory underpinning—it is good enough for every other industry, it is good enough for the Law Society, so why are we not prepared to follow through for the press? The vast majority of journalists are honourable. As the hon. Member for South Dorset (Richard Drax) said, we are talking about a small minority, but that small minority can do immense damage to individual's lives—we saw it with the McCanns, with Milly Dowler and with the Hillsborough inquiry—and it is not good enough for us to say they are doing a good enough job; they patently are not, which is why I hope the House will uphold the amendments passed in the other place.

I turn now to what I had intended to speak about: the rights of individuals and the problem many have in talking about data and regulation. It sounds like a technical issue—something that does not affect them directly in their everyday lives. Algorithms are a mystery that many of us have no desire to investigate, never mind solve, yet they are a major influence in our increasingly technology-driven and social media-driven lives. Data harvesting can sneak into every corner of our existence, undertaken by public and private organisations—those we deal with and many that just want to deal with us, or use what they know about us. The information we provide tells them how to sell us everything from cars and mortgages to life insurance and funerals. As more and more information about our daily lives is digitally recorded,

[Christine Jardine]

it is important that individuals have more control. With the passing of the Bill, we should all be able to rest assured that the information is being used both ethically and responsibly, including by the national and regional press, and that we have access to ensure that it is accurate, whether it is available to individuals or public or private bodies.

We should take into account that the information we provide can be used to infer information we have not given. For example, I am reliably informed that people who like curly fries are more likely to have high IQs. If someone was to pass on that culinary preference with their data, floods of adverts aimed at highly intelligent curly fries fans would be likely to follow. Occasionally, of course, it can all go wrong. Just after suffering a recent bereavement, I was in touch with a nationally known undertaker. Immediately afterwards, I was bombarded with adverts about planning for my own funeral, which is not really what anyone in that position wants. That is just an illustration of why it is important to the public that they have the right to view and correct or delete their own personal data, as laid out in the Bill. None of us wants false information out there about us that could prejudice decisions or jeopardise our security.

That, surely, is particularly important in relation to the many young people—a significant number of them children—who are regularly online. Ofcom estimates that 99% of under-16s are online for nearly 21 hours a week. The Children's Society and YoungMinds surveyed more than 1,000 young people about their online experiences, both generally and more specifically with regard to cyber-bullying, and found that 61% of the under-18s who were surveyed had had their first experience of social media before the age of 13.

In setting the age of consent, it is important to be realistic about the lives of young people. Sixteen may not be an appropriate age of consent, or a realistic reflection of a situation in which practice allows only over-13s to have an account, but with no age verification. Young people need to learn their data and privacy rights much earlier, and that should be a mandatory part of their personal, social, health and economic education at school.

Jim Shannon (Strangford) (DUP): When it comes to the protection of children, there is a greater need for parents and guardians to be involved, but we often find that the care that ought to be there is not there. Has the hon. Lady any thoughts about how we could improve the situation?

Christine Jardine: I believe that parents should take more responsibility, but I think that the answer is to educate the children themselves and make them aware of the danger.

It will be important for the Government to support those who will feel extra strain as a result of the Bill, such as small and medium-sized enterprises and, indeed, the Information Commissioner's Office itself. The ICO will have a much more proactive role in policing data protection matters and will be required to produce masses of guidance both now and after May. The office must be properly resourced to do its important job. There should also be targeted support for charities.

Many sectors—manufacturing, retail, health, information technology and financial services—are anxious for the free flow of data between ourselves and the European Union to continue with minimum disruption post Brexit. In an increasingly digital economy and society, that is critical for both our international trade and the protection of our rights of privacy. We must get this legislation right, and, as I said earlier, I believe that that will mean upholding the amendments passed in the other place.

8.52 pm

Eddie Hughes (Walsall North) (Con): It is an honour to follow the hon. Member for Edinburgh West (Christine Jardine), not least because my own brief contribution will be simply an extension of the points that she made.

When I first came to this place, I was lucky enough to have dinner with some people from Facebook. We were invited to their headquarters in London and were given an example of how they used data to influence purchasing activity. Facebook knows that elderly people are not frequent users of the site, but that grandparents are keen users just before the birthdays of their grandchildren. Facebook knows everything about us, so of course it knows when our grandchildren's birthdays are, and it probably knows what sort of toys they are interested in and what sort of films they watch. All information of that kind is held. Facebook can start pitching advertisements for appropriate products to people two weeks before their grandchildren's birthdays, even before they themselves know what would interest their grandchildren.

I am not suggesting that we should use the Bill to introduce a tough code of practice to protect grandparents, but given that Facebook holds that data and can manipulate it in such a way, we should certainly protect young children from similar practices. I am concerned about whether 13 is an appropriate age of consent. People might be reassured by the fact that Facebook, Instagram and WhatsApp require users to be at least 13, but, as was pointed out earlier, there are no checks to establish that that is the case. We should be particularly concerned because there has been an incredible proliferation in the use of mobile devices by young people. Research conducted in 2014 across many countries in Europe and in Japan found that children typically get their first phone at 10 years old. Other research carried out more recently suggests that between 2014 and 2017 there has been a doubling of online use by five to seven-year-olds. It does not matter what the starting point was.

Paul Girvan (South Antrim) (DUP): There are large, global organisations that have data on every single individual through their mobile phones; mass data collection tracks movements and identifies where anyone is at any one time. That information is not even held in the United Kingdom; it is held in California in the United States. How can we ensure that we have access to that information if we need it for security reasons?

Eddie Hughes: I am not sure I am going to be able to answer that excellent point, but I was about to touch on something similar.

Apart from the statistical data that I have alluded to, as we walk around every day we see younger and younger children using mobile devices; they must be protected. Greater protection is perhaps required for the most vulnerable. I have been a councillor on Walsall Council for 18 years and a large proportion of my time

has been spent working with looked-after children and ensuring the services they are provided with are as useful and appropriate to their needs as possible. On the point that the hon. Gentleman has just made, we are talking not just about the collection of our own data as adults, or the collection of the data of young children, but about the collection of the data of the most vulnerable people in society—looked-after children. The collection and use of their data is terrifying if it gets into the wrong hands. I hope the Minister will take this opportunity to ensure that we protect not just the young, but the most vulnerable young in our society from the perils of data collection and manipulation by huge global entities.

8.57 pm

John Grogan (Keighley) (Lab): It is a great pleasure to follow the hon. Member for Walsall North (Eddie Hughes), who characteristically speaks with great clarity without notes, but I shall take inspiration from the hon. Member for North Herefordshire (Bill Wiggin), the first Back Bencher to speak in this debate, in that I will take a slightly different view from my Front-Bench colleagues on a couple of issues. In particular, I will suggest that there are some flaws in clauses 168 and 169.

When I retired from this House in 2010, I never really expected to be back on these Benches, yet I am now back here representing a different constituency. I missed out on the Leveson report and the subsequent debate about Leveson and the provisions of the Crime and Courts Act 2013. I recognise, however, the tremendous hurt caused by phone hacking and the crimes committed by those involved in it; indeed, two dozen-plus people were convicted of crimes at that stage. I recognise, too, the tremendous sense of violation of privacy that people felt at that time. I am also well aware of the force of the charges our Front Benchers put to the Government; that at that stage they committed themselves to legislation that they are now resiling from.

I am also aware that the history of my party's relations with the press over the last century has not been untroubled. We have rightly stood up for a feeling that the press has been out to get the Labour party ever since the Zinoviev letter in the 1920s, published by the *Daily Mail*. However, despite all that background, I still have doubts about clauses 168 and 169, which would have the effect of putting punitive damages on to our press if they were sued, whether they won or lost.

We must be very careful about taking this step. We are already 40th in the accepted rankings relating to a free press. We are not even in the top 10, and we should be up there with Norway, which I think is No. 1. We should be very careful about taking these steps. How would Russia Today react if our press organisations were forced into bankruptcy or felt the chilling effect that Alastair Campbell warned against recently?

Stephen Kerr (Stirling) (Con): The hon. Gentleman is making a very good point. A key concern that I share with him relates to the dwindling number of local titles. In my constituency, the *Stirling Observer* is the only newspaper left serving the community. It has a skeleton staff with very few reporters and very few resources even though it is part of a bigger group, and it is vulnerable because of its dwindling circulation. Anything we can do to strengthen our democracy must involve encouraging freedom of the press.

John Grogan: Investigative journalism is one of the things that makes me proud to be British. When I was previously an MP, I was lucky enough to be vice-chairman of the all-party parliamentary National Union of Journalists group. At that time, the group had only two other officers that I can remember: my right hon. Friends the Members for Islington North (Jeremy Corbyn) and for Hayes and Harlington (John McDonnell). Obviously, their careers have taken a different path from my own, but I am still proud to be vice-chair of that group, and I think it is right that I should be.

Obviously, the press get many things wrong, but they also get some things right. There have been many investigations, including the *Daily Mail* investigation into the Stephen Lawrence affair. The *Daily Telegraph* has held politicians to account on both sides of the Atlantic; at the moment, it is exposing the possibility that President Trump was financed by foreign contributions. It has also exposed football corruption. Thank goodness for *The Guardian* exposing tax cheats and tax avoidance, and thank goodness for the *Daily Mirror* exposing some of the activities of the tech giants and the more unjustifiable practices of the gig economy. That investigative journalism does not come cheap, however, and I believe that it would be threatened by putting section 40 into law. I have studied the Labour party manifesto very carefully; it is my bedside reading. We are committed to Leveson 2, but I do not think that there is anything in the manifesto that commits us to the implementation of section 40.

I have been looking at the amendments that were passed in the other place, and it is interesting that clause 142, which deals with a potential Leveson 2, is actually more expansive than Leveson 2 in some ways, in that it could affect broadcasters and online services as well as all newspapers. That has to be taken into account when we consider that clause.

I am radical when it comes to the reform of our media and our press. I think that we have forgotten some of the issues on the left of British politics that we used to bring to the forefront. For example, the concentration of ownership in our media is far too great. The right of reply is also something that we should concentrate on, as is the wide variety of issues relating to the power of Facebook, Google and others and their inability to deal with fake news in a convincing way. However, alliances are shifting. This week in *The Sunday Times* I read the most favourable article I have ever read in that newspaper about a speech by a director-general of the BBC. He was talking about the danger posed to British culture, the British way of telling a story and British journalism by the dominance of the tech giants on the west coast of America.

Some things have changed in the media landscape, but I hope that we in this House will always stand up for press freedom and for the plurality of the media. One of the little things that I do in Parliament is also one of the things that I am most proud of, and that is that I chair a number of groups, including groups on Kosovo, Albania and Mongolia. Those are emerging economies and democracies, and we often discuss press freedom in our meetings with people from those countries. How would it look if this House were to impose punitive damages on our newspapers unless they signed up to a state-supported regulator? I think that that would be very difficult to explain.

9.4 pm

Mr Jacob Rees-Mogg (North East Somerset) (Con): I find myself in a great deal of agreement with the hon. Member for Keighley (John Grogan), who has put the case for press freedom extremely clearly. I begin by making an essentially ancestral declaration of interest: my father was involved with newspapers for most of his professional life, and I have received by comparison very modest payments from some newspapers for some works that I have provided for them over my time in Parliament.

At the heart of this Bill are three clauses—primarily clauses 168 and 169—that came in from the other place and fundamentally attack the freedom of the press. There is widespread agreement on the need to regulate the digital economy and the ownership of data effectively. There is cross-party agreement on that, and I doubt that there will be a Division this evening. However, the freedom of the press and freedom of speech are absolutely at the heart of our democracy. Members of Parliament should remember that those freedoms will be exercised in a way that does not always provide hagiographies for us. Quite understandably, newspapers will say critical things of people on the Government Benches and of people on the Opposition Benches. Sometimes they will be fair; sometimes they will be unfair. Sometimes we will read something and think that we have made a mistake; sometimes we will read it and know that the newspaper has made a mistake. That is the flotsam and jetsam of political life. For every piece in the *Daily Mail* that upsets Opposition Members, there will be something in the *Daily Mirror* or *The Guardian* that upsets us. That is how political life works, and we surely are not sufficiently of the snowflake generation that we should mind about that. That is how political life must and should go.

When we look at clauses 168 and 169, however, we know from our history that one of the tactics of dictatorial regimes is to have to punitive damages levied on newspapers that do not do what they want—a system whereby if a paper loses a libel action, it is effectively closed down. Why do such regimes do that? They do it so that they can have the pretence of freedom of speech, but with the reality of control. In the 18th and 19th centuries here, libel laws were used to prevent the press from exercising the freedom that we think of as a constitutional birth right. We know that the Americans, when writing the bill of rights to their constitution, made the second amendment a clear statement of freedom of speech. Why? It was in response to the abuses that they thought were taking place in the United Kingdom at that point. They put it in because they were worried about such things as the persecution of John Wilkes and his being sentenced to prison not for what he did, but for what he said. We see that being restored in clauses 168 and 169, with the outrageous, monstrous idea that if a paper prints something that is entirely accurate—every dot and comma is true—but has not bended the knee to officialdom, the fine will be to pay its own costs and the costs of the party about whom it has told the truth.

The hon. Member for Keighley referred to the *Daily Mail* and the Lawrence affair. That terrifying right-wing newspaper, which I read every day and enjoy, exposed the murderers of Stephen Lawrence in a way that required it to say things about the murderers that, until double jeopardy laws were changed, could never be proved in a court. What if this law had existed then and those people, whom we now know were guilty of murder, had sued

the *Daily Mail* for saying something that was true? What if the *Daily Mail* had had to pay the costs of murderers? That is what their noble lordships have put into this Bill.

This is more serious on a day-to-day basis than the worst case that I can think of. We know the weakness of our local papers and how they struggle hand to mouth, but how easy would it be, for example, for my hon. Friend the Member for North Herefordshire (Bill Wiggin), who is no longer in his place, to take to court the journal that he does not like because it said inaccurate things about him. It is fair enough for him not to like them, but if an hon. Member took a local paper to court, that local paper would be insolvent, because many of them do not have powerful parents behind them. Many of them—I am thinking of some in my constituency—are run by entrepreneurial individuals trying to make a reasonable living. The threat of having to pay double costs would be sufficient to stop them printing a disagreeable story about us.

That is great. It means that in all Conservative seats, no disagreeable things will be published about Conservatives; and in all Labour seats, the same will be true. Therefore, I will remain the representative of North East Somerset forever and ever—amen, amen, alleluia—and the hon. Member for Keighley remains in Keighley likewise. As it happens, we both think that is fundamentally wrong and an attack on democracy.

Free speech is not there so that Rupert Murdoch, a man I greatly admire, can make a great deal of money; it is not there so that the noble Lord Rothermere can, likewise, make a decent living; it is there because it is the pillar of democracy. If we do not have free speech, how will we expose corrupt Governments, incompetent politicians and—I dare say there are some occasionally—Governments who make mistakes? Councils that get things wrong, errors that are made and dishonesties that are performed, how will they be reported if every one of us can shut down our local newspaper just by saying that we will go to court and the newspaper will have double costs?

The proponents of clauses 168 and 169 will say, “That’s all very well, but there is IMPRESS.” What is the fundamental principle that has prevented newspapers from signing up to IMPRESS? I was one of 13 MPs who voted against the Crime and Courts Act 2013, which allowed this to happen, and I was absolutely right to do so. The principle is that a free press is one that cannot be regulated by the state, and an application to be approved by a regulator approved by a royal charter is regulation by the state. That is not comparable to the judges or other independent organs of the state, because the judges are part of the state—they are simply independent from this place and from the Executive. The whole point of the press is that it is not in any way part of the state. Quite understandably, no serious newspaper of the left or of the right has been willing to bend the knee to IMPRESS, and nor should it.

Let us now turn to IMPRESS, what causes it, what its origins are and who funds it. It is a scandal of our time that their noble lordships have made an amendment that has been pushed and harried through by perhaps one of the most disreputable figures in British public life. I refer, of course, to Mr Max Mosley, who has provided £3 million for IMPRESS and who took a libel action against the *News of the World* when it said he had indulged

in Nazi-themed orgies. The *News of the World* was wrong: the orgies were not Nazi-themed. They were orgies, but they were German-themed. I apologise, Madam Deputy Speaker, for saying those shocking things in front of you, but that is what happened.

The *News of the World* lost, and it was deemed that Mr Mosley's privacy had been invaded. Before that, few of us had heard of him, except we knew vaguely of his involvement in Formula 1 and we knew his father had been a Member of Parliament—a Labour Member of Parliament, as it happened—and had then set up the British Union of Fascists.

But we did not know that Mr Max Mosley himself held views—or, he claims, had in the past held views—that no reputable person could possibly hold. Views that are so repellent that, though I read them out because it is important to understand what underpins IMPRESS, I do so with considerable reluctance. Mr Mosley was the authoriser of a leaflet, and because we have stood for Parliament, we all know the importance of a leaflet's authoriser.

I have the most wonderful agent, Margaret Brewer from Somerset. She was referred to by *The Sunday Times* as a “flinty rural matron”, and indeed she is. Nothing goes in my leaflets without her approval. People may think I am independent-minded, but I have not a view that has not been approved by Mrs Brewer. We all know how this works. If our agent does not approve it, it does not go in. What did this leaflet say? As I say, this is so appalling that I am reluctant to read it out in Parliament. Under a heading of “Protect your health”, it said:

“There is no medical check on immigration. Tuberculosis, VD and other terrible diseases like leprosy are on the increase. Coloured immigration threatens your children's health.”

That is the view of the funder of IMPRESS. It is little wonder that our free press does not want to be associated with such a man. It is little wonder that, to its credit, the Labour party has now refused to take any further funding from this man, but IMPRESS has not. IMPRESS has not condemned this man. It has not said it will refuse further funding from the charitable trust he set up purely and specifically to keep IMPRESS running. IMPRESS has done nothing of this kind. It has a reputation of its own, and there is a certain irony in this; its chief executive is a man called Jonathan Heawood, and he tweeted, of all things, that the *Daily Mail* was “a neo-fascist rag”. Dare I say that he might know a good deal more about neo-fascists than one had thought when that tweet was originally circulated?

We are suggesting, under clauses 168 and 169, that that most precious thing that underpins, protects and gives us our democracy should be sacrificed to the honour of a man who has waged a campaign against freedom of the press because it exposed his perversions. That is the long and short of it. The hon. Member for West Bromwich East (Tom Watson), the deputy leader of the Labour party and shadow Secretary of State, said that Mr Mosley does not hold those views any more—well, how gracious of him. But how fortunate we are that our free press has exposed those views, so that we know them in the context of the debate we are having today. I say to Opposition Members that any of them who go through the Lobby at a later stage to vote in favour of those clauses are voting to support Max Mosley, his abhorrent views and his money. Those of us who believe in freedom will vote them down.

9.17 pm

Sir Edward Davey (Kingston and Surbiton) (LD): It is interesting to follow the hon. Member for North East Somerset (Mr Rees-Mogg). The House should reflect on his speech. Obviously, he was full of great rhetoric, but for some of us, he was playing the man and not the ball, but the House should discuss the ball—the substance—because that is key. I say to him, in language I know he understands, that *veritas* is a good defence.

I want to speak about the actual Bill, not amendments made in the other House. This piece of legislation is very welcome. It emanates from the EU, and I am delighted that the Government are implementing it. This regulation was being formed when I was a junior Minister in the then Department for Business, Innovation and Skills, and Britain was very supportive of it and was leading on it. Indeed, I served on the Competitiveness Council and formed a like-minded group for growth, on which Britain was leading the way in Europe in developing further the single market in energy and in digital services. It was clear that this regulation was essential for British business, because Britain was leading in digital services and needed this to support our businesses trading across the EU and to give consumers the confidence that this brings. It was a key area for business for Britain, and we pushed it.

It is therefore particularly ironic that we are transposing this regulation into UK law just as we are pulling out of the EU. The legislation before us is excellent; it has cross-party support; and it is a perfect example of why Brexit is a bad idea for the UK. We were highly influential in the conception and birth of this regulation as a member of the EU, but thanks to Brexit, we will not be at the conception and birth of a daughter of this EU regulation. There is bound to be a daughter of the GDPR, given the speed with which these technologies are developing. Inside the EU, the UK fashioned this regulation; we were a rule maker, and we were in control. With Brexit, we will not have a vote, we will be a rule taker, and we will have lost control. There could not be a clearer example of how Brexit will actually weaken Britain's democracy and sovereignty—the precise reverse of what was promised to the people. Although I welcome this legislation in general, I do fear for the future.

However, I have one massive concern about the Bill. It relates not to what came from the EU, but to what Whitehall has done to the legislation. It used to be called “gold-plating”, but in this case I would call it “dirt-smearing” the regulation. I refer, of course, to the immigration exemption in schedule 2. I am disturbed about that for a number of reasons, some of which other Members have mentioned. However, to get the Minister's attention, I should say that if the legislation is passed with that exemption, that will put at risk the chances of the UK's obtaining a data adequacy agreement prior to Brexit—something essential for business and vital for security. The immigration exemption is not allowed under the EU's regulation; it will be found to be illegal. It is clearly in breach of the EU's charter of fundamental rights, undermining article 8 on the protection of personal data, article 20 on equality before the law and article 21 on non-discrimination.

Take the central example of what the exemption will mean for citizens from other EU countries—the 3 million here already and those who will come in the years ahead. Does the Minister really expect the Commission

[Sir Edward Davey]

and the EU's Brexit negotiators to turn a blind eye to the theft of data protection rights from EU citizens that the immigration exemption represents? It is a clear and evident breach of faith with the December agreement on EU citizens. There is simply no way that the EU could or should grant the UK a data adequacy agreement if we intend to take data protection rights from its citizens with this measure. That is before Brexit; if we do not secure a data adequacy agreement while we are in the EU, it will be far more difficult and demanding as a third country. The granting of data adequacy for third countries involves a more stringent examination of how national security data is dealt with.

I say candidly to those on the Treasury Bench that if they want their Brexit negotiations to proceed as smoothly as internal Tory party politics allows and to secure the data adequacy agreement that British business desperately needs, they will have to drop that immigration exemption—no water it down, not caveat it, but drop it.

Moreover, the exemption is insulting to freedom, the rule of law and access to justice. What it means, as others have said, is that an individual cannot know why he or she has had their case refused by the Home Office. The Home Office will be under no duty at all to disclose the information in a person's file and the information used to make the decision. That is an affront to natural justice. In any dispute about how a case has been administered, it is surely self-evident that officials should have to provide that information.

To help Government Back Benchers who care about the rule of law even more, I should say that this affront could affect a British citizen. The administrative mistake might well be that someone has incorrectly been considered not to be British. In the many briefings that we have been given for this debate, there is example after example of British citizens being denied justice, with their very nationality being denied. Only a subject access request by an individual's lawyer can end up revealing such basic errors of the Home Office.

Let us face it: the Home Office holds the prize for the largest number of mistakes made, week in, week out, by any Department. To take just one example, the Home Office has a shocking 10% error rate on immigration status checks alone. The Conservative party may be happy to take away access to justice and the rule of law from British citizens, but I am not.

Let us look at the impact on fairness. The best way to illustrate how deeply unfair the immigration exemption would be is with a few examples—real life examples, which is to say real people. Let me take some examples from the Law Society brief. It takes the case of Z, a failed asylum seeker attempting to reopen his case:

"The Home Office refused to reopen the case, saying that he had previously left the UK voluntarily and had received a resettlement grant from the Home Office. The SAR revealed that a third person had assumed his identity, and had applied for and secured voluntary return and the grant had subsequently been removed. The file further revealed that there was no cross-checking of signatures, photographs, or fingerprints on the Voluntary Assisted Returns scheme."

This would have had serious consequences for the individual had the subject access request not revealed the identity theft, but, of course, under this immigration exemption there will be no such right to make that request.

We have talked about issues around domestic violence. We have heard the example of a woman applicant, the victim of domestic violence, who had no knowledge of the immigration applications made for her because her husband had all the papers. A subject access request would be her only path to sorting out her immigration status.

There are many examples showing how unfairly this will work in practice. Another example of Home Office mistakes on identity is the case of a nurse who had been working in the NHS and living lawfully in the UK for many years, but whose application to naturalise as a British citizen was denied because of her alleged poor immigration history. The brief says:

"A SAR was made and it became clear that the Home Office had mixed her up with another Nigerian woman with a slightly similar name and a poor immigration history. Following the SAR, she was able to challenge the Home Office."

Under this Bill, she would not have been able to do that, and the NHS would have lost a diligent trained nurse.

There are so many other such examples, Madam Deputy Speaker, that I could detain the House longer than you would feel was sensible, so I will not read them out. None the less, I say to Ministers that they exist. If they bothered to read them—I urge them to do so—they would see that these are real people. If this legislation goes through with the immigration exemption, the Ministers on the Front Bench would be responsible for ruining the lives of hundreds, if not thousands, of innocent people, because they would have given the Home Office—the Executive—too much power, which means that it could not be held to account.

9.27 pm

Andy Slaughter (Hammersmith) (Lab): I am very pleased to follow the right hon. Member for Kingston and Surbiton (Sir Edward Davey), not least because it allows me to dispense with the first part of my speech, which will please the whole House. He has made exactly the right points in relation to what is known as the immigration exemption. It makes unnecessarily contentious a technically complex and, as Members on both sides of the House have said, necessary Bill. It makes EU citizens second-class citizens and allows the Home Office to collect and store data in a way that undermines other protections in the Bill, which means that it is something that we should not support. I hope that the Government will reconsider it.

I will spend what time I have dealing with the other matter of contention, which a number of Members on both sides of the House have raised: the amendments made in the other place. There are two. One is a requirement on the Government to proceed with a Leveson 2 public inquiry, and the other would effectively bring in, for the purposes of data protection offences, section 40 of the Crime and Courts Act 2013, which introduces costs. It would ensure that individuals affected by data protection offences—one could read across into defamation and other matters—committed by national newspapers had affordable access to justice in any action against those newspapers. That is the essence of it.

The second part of the Leveson inquiry was promised to the victims of press abuse by all party leaders in the clearest possible way, and it is difficult to see what has significantly changed since that time. Despite that, and perhaps even more surprisingly, despite the wishes and

views of Sir Brian Leveson himself, the Government announced in an arbitrary and rather casual manner in the statement last week their intention to cancel part 2. If we do not have Leveson part 2, we will not know the extent of corruption across newspaper groups, the extent of corrupt relationships with the Metropolitan Police Service, and the extent of illegality and cover-up at newspaper titles.

We need to proceed with Leveson part 2 because we owe that duty to the Hillsborough families, to the families of Milly Dowler and of Madeleine McCann, to Christopher Jefferies and to others who deserve to know the truth about what happened to them. That would have been an uncontroversial thing to say even two or three years ago, but it appears to have been forgotten. The innumerable meetings that now take place between senior members of the Government and senior people in the press—and the paucity of such meetings with the victims—speak for themselves. We have not got to the bottom of the hacking and data scandals at the *News of the World*, the Mirror Group titles and other newspapers. This issue does not affect only the newspapers of the right or of the left; it affects newspapers across the spectrum.

The fact that Sir Brian is firmly in favour of finishing the inquiry with extended terms of reference—we know this now, although I do not think that anyone who heard the statement last Thursday believed it to be the case at the time—really sets a precedent. I wonder when it has previously happened that the views of an inquiry chairman have been disregarded and overturned in this manner, part-way through an inquiry. If this were a scandal in any other industry, the press would be firmly behind finishing the inquiry. Public confidence in the press, and in us, will suffer if inquiries into press misconduct are abandoned, effectively at the instigation of those who run the media in this country. As I said in an intervention, if we can do this with one inquiry, we can do it with another.

The Government have quite rightly set up inquiries into the Grenfell Tower disaster and the contaminated blood scandal—two extraordinary scandals affecting millions of people across this country and our major institutions. What is to prevent the Government from stepping in at any time and saying, “We’re not happy with the direction. We believe that this inquiry is now irrelevant. We won’t continue it anymore.”? This weakens faith in our constitution.

I turn to the amendments made in the other place regarding section 40 of the Crime and Courts Act 2013. I have heard comments that are just plain wrong, particularly from Government Members. It may just be coincidence that many of them began their remarks by saying that they were former journalists, but they then misrepresented what is intended by—and, indeed, the actuality of—section 40 and the amendments made in the other place. In any event, their comments were miscast.

Cost shifting is often a part of the cost regime in our courts. It is done to increase either access to or the administration of justice. It is done not punitively, but to encourage, and to ensure that justice functions effectively in everyone’s interests. In this case, it works by giving newspapers the option of signing up to an independent regulator that offers compulsory arbitration, or meeting the court costs of reasonable claims made against them.

This ensures that members of the public affected by press illegality can either bring a claim under low-cost arbitration or have costs protection in court. Arbitration is cheaper and quicker for both sides.

Newspapers also benefit from cost shifting, because they enjoy costs protection if they are in an independent regulator offering arbitration and a claimant rejects the arbitration service on offer. That is the key point. This is not there to punish newspapers but to protect impecunious claimants. It will also protect small, genuinely independent newspapers and small publishers. One hears that the whole local newspaper industry is against it, but 80% of that industry is owned by the big conglomerates, which have exactly the same interests—financial—as the major national newspaper chains.

The purpose of cost shifting is to enable an individual who—in the way suffered by the Dowler family, Christopher Jefferies and those in the other cases that we are all aware of—has been horrifically maligned and harassed by newspapers to go to court, to get justice, and, in this case, to go to arbitration without the risk of losing their house and savings, or of simply being unable to get into court at all.

That risk was partly resolved—not deliberately; it came about through the way in which the law developed—by no win, no fee agreements, which meant that somebody who had been defamed or had their privacy threatened in this way could go to a lawyer and ask them to take their case. The lawyer would say, “Let’s see if it’s a good case or not,” and if it was a good case, they would agree to take it on a no win, no fee basis. That protected the litigant both from their own costs and from the costs of the other side if they lost. It was no longer the case that if someone took the *Daily Mail* or *The Sun* to court, they risked everything because the newspaper group had been able to build up costs on the other side to discourage, in effect, even the most meritorious litigation.

With the passing of the Legal Aid, Sentencing and Punishment of Offenders Act 2012, that option went, and it is far, far more difficult to get any type of no win, no fee assistance, so we are not at that status quo; we have moved several steps backwards, and if section 40 and the amendments tabled in the other place are not passed, litigants will once again be at risk in this way. Low-cost arbitration and the need to incentivise media groups to join that service—not, as the IPSO scheme would, allowing them to pick and choose—is essential to that. It is a low-cost way of doing it, but it works just as much for the press as for the individual litigant.

Apart from the fact that a promise was made to the victims of press abuse, and the fact that this provides cost protection to newspapers and ensures that small and local newspaper groups are protected from powerful and wealthy litigants, cost shifting encourages the use of arbitration, which is quicker and cheaper for all sides and is increasingly a feature of all parts of our legal system. This poses no threat to the local press.

The alternative is IPSO. I was incredulous to hear IPSO described as a move on from the Press Complaints Commission. It is the same people running the same racket, with the same failure to address the issue. The hon. Member for North Herefordshire (Bill Wiggin)—I do not often find myself on the same side of the argument as him—got it exactly right. This is a sham, and if we support it, we are going along with the sham.

[*Andy Slaughter*]

This is not about punishing and silencing the press, as though they are the weak vessel—it is about protecting the people to whom all parties and almost every Member who was in this House at the time made a promise: the victims of egregious press harassment who suffered terrible campaigns against them. We forget that at our peril. The Government have simply waited until they think that time has moved on and the heat has gone out of this. Well, I hope that the heat has not gone out of it. I hope that the public and sufficient numbers of Members on both sides of the House will remember the duty that we owe to those victims. These are modest amendments from the other place. The idea that this is in any way tying the hands of the press is pure hyperbole. We need to incorporate the amendments, and we need to fulfil Leveson 2, because otherwise we are failing terribly the victims of press harassment.

9.39 pm

Liam Byrne (Birmingham, Hodge Hill) (Lab): This has been quite a useful debate for rehearsing the arguments and divisions that I suspect we will have when the Bill moves upstairs to Committee. Some of our debate, particularly in the speeches made by Opposition Members, has even been about data protection.

It is probably fair that I start with the note of unity that the shadow Secretary of State, my hon. Friend the Member for West Bromwich East (Tom Watson), set out at the beginning of his remarks. I think there is a great deal of optimism on both sides of the House about the possibilities of technology in the years to come. The philosophical difference is that we genuinely believe that the new world of trade for the years to come will be built on a world of trust. If we are to have a really robust foundation of trust in the digital economy that will take shape over the course of this century, we will need a strong regime of rights. We need rights that are comprehensive and genuinely enforceable in courts, where necessary, and those rights need to live in a democracy that has safeguards, including safeguards around the way in which elections are fought in the digital age—those elections need to be free and fair—with a press that is clean.

The problem with the Bill, as we see it, is that it is an opportunity missed. The Secretary of State argued that it was forensic; we would argue that it is a little bit more piecemeal. It is not haphazard; it is seeking to do a job by incorporating a substantive bit of legislation from Brussels into British law. However, we are troubled that the privacy provisions are not quite robust enough, and that argument was well made by a number of my right hon. and hon. Friends. In particular, the decision not to include the text of article 8 of the EU charter of fundamental rights to safeguard privacy and ensure that adequacy agreements will be there in years to come was an error. The approach is just too risky, as my right hon. Friend the Member for East Ham (Stephen Timms) warned.

These risks of divergence are serious because so much of our exports, in particular to Europe, are services exports. Some 70% to 80% of those services exports may be digitally enabled, so we simply cannot afford any risk whatsoever. We need to put all risk to any future adequacy agreement beyond doubt.

My hon. Friend the Member for Bristol North West (Darren Jones), our man for definitions and a great deal more, made a very effective point about this not being a one-off exercise. This process will endure, so we are trying to make sure that British and European courts interpret privacy law in a way that is continually consistent over the years to come.

We all need to recognise the juggling act that the Prime Minister is trying to perform. We all need to acknowledge with some honesty the creative ambiguity that she sometimes needs to sustain to keep everybody on the train. I think we all recognise the precariousness of her position. We know that her personal position as captain of the ship is not trouble-free, so I think that those on the Treasury Bench will forgive us for not relying on the full weight of a No. 10 press release, as terribly robust as that is, as ensuring that adequacy provisions will be secured through the commitments that she has made to protect privacy. We would much rather rely on the full weight of the law, because that feels like a much more reassuring position.

In the modern economy, there are rights that we need to take into account. Those rights are new and increasingly necessary in the modern age, such as the right not to suffer as a result of decisions made not by humans but by algorithms. My hon. Friend the Member for Cambridge (Daniel Zeichner) made the powerful point that the great risk of algorithms that take decisions is that they may hard-code old injustice into new injustice. That idea should trouble us all. The Bill does not include adequate safeguards against that at the moment, so we will need to address that.

We heard the troubling line of argument in the debate that we should carve out newcomers to this country from the rights and safeguards that are enjoyed by everybody else under the Bill. I have to say to the Minister that the measures on immigration are a mistake. We will seek to delete them, and I hope she accepts that initiative. I was the Immigration Minister who introduced the biggest shake-up to our immigration system for 40 years. I created the UK Border Agency, and I introduced the points system. In my two or two and a half years in the Home Office, I came to learn that our immigration system is not some celestial design—it is a human institution. The Home Office and the immigration system take decisions that are bad or wrong and that need to be corrected. If we delete the protections under the Bill for newcomers, we will put justice in jeopardy. We will genuinely risk denying justice to those newcomers who need information to fight their cases effectively.

I lost cases that were brought because people were able to draw on information through subject access requests, and justice was eventually done in those cases. However, mistakes are made, and I do not think the Minister wants a system that is so prone to error. We have to build in checks and balances to the immigration justice system, and she has perfectly adequate safeguards on crime prevention in the Bill. As a former Home Office Minister, I can recognise what is basically a gratuitous land grab by the Home Office. These powers are not needed, and I hope the Minister will ask her Home Office colleagues to look at the provisions again.

For rights to be real, there needs to be a method of enforcing them effectively, which is why the provisions for collective redress are so important. The shadow Secretary of State talked about the work that we have

done with people such as Baroness Kidron in the other place on safeguarding rights for children. A third of internet users are children, and we need to ensure that their rights, along with those of everybody else, are actually enforceable. The idea that a child whose rights are violated will take Facebook to court is, frankly, fanciful. We need to allow consumer organisations and others to take what are in effect class actions, because otherwise the implementation of rights risks being weak, undermining not simply justice, but the strength of our regulatory regime.

We will want to propose other, more comprehensive rights. We are not under any illusions about the Government accepting our data Bill of rights in full, but we want to make sure that such rights are on the table because we are at the start of a process. Just as there were something like 17 Factory Acts during the 19th century, there will be many data protection and e-commerce modernisation Acts over the next 80 years. I am afraid that Members will, for better or worse, have to get used to that process. We think that putting in place a strong framework for rights and enforcement now is just a wise precaution for the future.

As we have heard in many contributions, there will be quite a lot of toing and froing about some of the amendments made in the other place. I hope that many in the House will not take the approach of the hon. Member for North Devon (Peter Heaton-Jones). I feared at times that he was anticipating that we could somehow secure justice regarding suspected historical offences by closing the door, switching off the lights and pretending that nothing had ever happened. I do not think that there are many fields of public policy in which that has proved to be a successful foundation for reform. It is important that we delve into offences that took place in the past.

My hon. Friend the Member for Hammersmith (Andy Slaughter) made some important points. Politicians on both sides of the House made promises to the victims of phone hacking, and it is an extremely dangerous precedent for a Secretary of State to say, “Yes, I know we made promises about an inquiry but, you know what, we don’t think that inquiry, even though it isn’t finished, really should wind its course to a conclusion.” It is not a satisfactory state of affairs when the Executive can intervene and, in effect, seek to stop inquiries in their tracks, in the teeth of opposition—in this case, from the noble Lord Leveson—setting out why they should actually continue.

I hope that many Members will, like the hon. Member for North Herefordshire (Bill Wiggin), argue for the importance of honouring promises made in the past, and indeed of making sure that we have a press regulation regime that balances the interests of a free and fair press with the need not to defame people wilfully. The Government are making an odd argument by asking us to take them seriously when they want to install a new data protection regime, while at the same time short-circuiting an inquiry into the most egregious violations of data privacy that we have ever seen in the public sphere. I am afraid that that approach does not inspire a terrific amount of confidence, so I hope that the Minister and the Secretary of State will listen again to the pleas of Lord Leveson and reconsider their support for the amendments that were carried with such force in the other place. The Government may make their own proposals, but I suspect that there will continue to be a strong body of support in the other place for those amendments.

Stephen Timms: May I take it from what my right hon. Friend says that the official Opposition’s position is that we will support the retention of the amendments agreed in the other place?

Liam Byrne: My right hon. Friend is absolutely right. We will support the retention of those amendments, and we will seek to offer a much more wide-ranging, comprehensive approach, which we think the Government should take. We will offer a much more comprehensive, well-rounded and thought-through system of rights for the digital age. We will offer an effective means of safeguarding those rights through the introduction of new forms of collective redress. We will offer new safeguards that help to protect our democracy and that ensure free and fair elections and press justice.

We will also seek to prompt the Government to confirm precisely when they will modernise the e-commerce directive, because many of the threats to freedom in the digital age will come from the fearsome five data giants of this age, which will need regulating in new ways. I think there is some cross-party consensus about the need for the e-commerce directive to be modernised, so we will table amendments that will encourage the Government to get their skates on. Crucially, however, we will table amendments that put beyond doubt the future of any adequacy agreement with the European Union.

As the economy changes, so must the law. There will be many more data and privacy laws to come in the years ahead. We will encourage the Government to put in statute a framework that is not merely fit for today, but fit for the future.

9.52 pm

The Minister of State, Department for Digital, Culture, Media and Sport (Margot James): I thank all Members for their contributions to this excellent and wide-ranging debate and their lordships for the immense amount of work that they have done on the Bill thus far. Members on both sides of the House want a Bill that protects personal data and allows individuals to maintain control over what is their property and what is important to them, and we want these rights to be enforceable. That is a positive start on which we can all agree.

Various Members, including the hon. Member for Bristol North West (Darren Jones), the right hon. Member for East Ham (Stephen Timms) and the shadow Minister, stressed the importance of the continuity of adequacy post Brexit. The hon. Member for Bristol North West asked what the Prime Minister meant by saying that she wanted to achieve more than adequacy. It was, I am sure, to ensure that the Information Commissioner can continue her excellent contribution to the evolution of the GDPR through her association with the European data protection board, when that comes into being.

The hon. Member for Argyll and Bute (Brendan O’Hara), the hon. and learned Member for Edinburgh South West (Joanna Cherry), the right hon. Member for Kingston and Surbiton (Sir Edward Davey) and many others mentioned immigration. I want to reassure the House that we are seeking not a blanket exemption, but something that can be applied only when complying with a certain right would be likely to prejudice the maintenance

[Margot James]

of effective immigration control. Every request to exercise a right under the GDPR would still have to be considered on its individual merits, and the rights of appeal required by the GDPR remain in place.

There was a great deal of debate about the freedom of the press. In the short time that I have, I cannot do justice to the fantastic contributions from my hon. Friends the Members for North Devon (Peter Heaton-Jones) and for South Dorset (Richard Drax) and the hon. Members for Edinburgh West (Christine Jardine) and for Keighley (John Grogan). We heard the real show stopper from my hon. Friend the Member for North East Somerset (Mr Rees-Mogg), who was listened to with rapt attention as he contrasted the pretence of freedom of speech with the reality of control, which would be the result of the amendments to which we have been asked to agree. The Government have been clear that we will attempt to defeat them in this place.

We have had a very valuable debate. We have touched on various issues—children and social media, artificial intelligence and cyber-resilience—and there are others that we will address subsequently.

Liam Byrne: Will the Minister give way?

Margot James: I will have plenty of time in Committee to debate with the right hon. Gentleman. I am sure that we all agree that the Bill is important and timely.

Kevin Brennan (Cardiff West) (Lab): On a point of order, Mr Speaker. I note that the Minister has not yet concluded her remarks, but it seems that she might do so before the moment of interruption. There are two outstanding motions on the Order Paper to be voted on following the decision on Second Reading: the programme motion and the money resolution. I note that, under Standing Order No. 83A(7) and Standing Order No. 52(1)(a), they are not subject to debate, but if there were any time left over between the conclusion of the Minister's remarks and the moment of interruption, would it be possible to discuss those two motions?

Mr Speaker: No, but the hon. Gentleman raises an interesting point. The fact that he has done so has given me an opportunity to clarify the matter for the benefit of the House.

Andy Slaughter: Further to that point of order, Mr Speaker. If the Minister has concluded, or was at the point of concluding, her remarks, may I seek your guidance? We have had an excellent and very full debate on this matter. I was here for the opening speeches and decided to stay and speak in the debate. I noted that the Secretary of State said that this is a Bill with 208 clauses. We have had a full debate, but the Minister, in a matter of two or three minutes, has not in any conceivable way replied to it, despite having time available to do so. What can be done to ensure not only that this House has a full debate, but that matters are responded to by the Government, as they are duty bound to do?

Mr Speaker: It is very much for a Minister to decide for how long he, or in this case she, responds to a debate. I understand that the hon. Gentleman is somewhat agitated. I am saddened to see him in a state of perturbation about the matter, but there is no immediate relief, other

than the fact that he has registered his concern and it is on the record. There is, however, nothing to be added by me in response to his point of order.

Daniel Zeichner: Further to that point of order, Mr Speaker. As my hon. Friend says, this has been a very long debate in which serious issues have been raised by Opposition Members. This debate was about not just Leveson, but data protection, which is particularly important for the future, and Opposition Members asked some major questions. I asked about the future of research. Researchers are very concerned, but they have not had an answer from the Minister. Is there anything you that can suggest, Mr Speaker, that would enable them to get an answer this evening from the Minister?

Mr Speaker: It is for the Minister to decide how long she replies. I am sorry if the hon. Gentleman feels that his points have not been responded to by the Minister, but she is legendarily succinct, and has obviously decided— independently, or in consultation with her colleagues on a collective basis—that tonight shall be no exception to the general principle of Jamesian succinctness.

Margot James: I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

DATA PROTECTION BILL [LORDS] (PROGRAMME)

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

That the following provisions shall apply to the Data Protection Bill [Lords]:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 27 March 2018.

3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Proceedings on Consideration and up to and including Third Reading

4. Proceedings on Consideration and proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.

Other proceedings

7. Any other proceedings on the Bill may be programmed.—
(*Rebecca Harris.*)

Question agreed to.

Mr Speaker: Well, it is most unusual that we are proceeding in quite such an efficient way before we have reached the moment of interruption. It is constitutionally notable, and colleagues will wish to take account of it, either for the purposes of repetition in the future or avoidance, depending upon their taste.

DATA PROTECTION BILL [LORDS] (MONEY)

Queen's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),

That, for the purposes of any Act resulting from the Data Protection Bill [Lords], it is expedient to authorise the payment out of money provided by Parliament of:

(1) the payment out of money provided by Parliament of—

(a) any expenditure incurred under or by virtue of the Act by a Minister of the Crown or a government department; and

(b) any increase attributable to the Act in the sums payable under any other Act out of money so provided; and

(2) the payment of sums into the Consolidated Fund.—
(*Rebecca Harris.*)

Question agreed to.

Business Without Debate**DELEGATED LEGISLATION**

Motion made, and Question put forthwith (Standing Order No. 118(6)),

POLITICAL PARTIES, NORTHERN IRELAND

That the draft Transparency of Donations and Loans etc. (Northern Ireland Political Parties) Order 2018, which was laid before this House on 23 November 2017, be approved.—(*Rebecca Harris.*)

The Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 7 March (Standing Order No. 41A).

Motion made, and Question put forthwith (Standing Order No. 118(6)),

BUILDING SOCIETIES

That the draft Building Societies (Restricted Transactions) (Amendment to the Prohibition on Entering into Derivatives Transactions) Order 2018, which was laid before this House on 20 December 2017, be approved.—(*Rebecca Harris.*)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

FINANCIAL SERVICES AND MARKETS

That the draft Financial Services Act 2012 (Mutual Societies) Order 2018, which was laid before this House on 19 December 2017, be approved.—(*Rebecca Harris.*)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

CO-OPERATIVE SOCIETIES

That the draft Co-operative and Community Benefit Societies Act 2014 (Amendments to Audit Requirements) Order 2017, which was laid before this House on 4 December 2017, be approved.—(*Rebecca Harris.*)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

ENVIRONMENTAL PROTECTION

That the draft Waste Enforcement (England and Wales) Regulations 2018, which were laid before this House on 25 January, be approved.—(*Rebecca Harris.*)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

PASSPORTS

That the draft Passport (Fees) Regulations Order 2018, which was laid before this House on 29 January, be approved.—(*Rebecca Harris.*)

The Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 7 March (Standing Order No. 41A).

Mr Speaker: The Secretary of State for Digital, Culture, Media and Sport was clearly most animated at least by the importance of the retention of his own passport, and we are most grateful to him for that. There is no surprise there.

COMMITTEES

Mr Speaker: With the leave of the House—in the light of the development of tonight's proceedings, I say this with a modicum of apprehension—I propose to take motions 10 to 14 together.

Ordered.

CONSOLIDATION, &C., BILLS (JOINT COMMITTEE)

That Mims Davies and Amanda Milling be discharged from the Joint Committee on Consolidation, &c., Bills and Bim Afolami and Colin Clark be added.

FINANCE

That Mr William Wragg be discharged from the Finance Committee and Luke Graham be added.

NORTHERN IRELAND AFFAIRS

That Maria Caulfield be discharged from the Northern Ireland Affairs Committee and Mr Robert Goodwill be added.

PETITIONS

That Rehman Chishti be discharged from the Petitions Committee and Luke Hall be added.

WOMEN AND EQUALITIES

That Vicky Ford be a member of the Women and Equalities Committee.—(*Bill Wiggin, on behalf of the Selection Committee.*)

Mr Speaker: We come now to the Adjournment. In the extraordinarily improbable and inconceivable event that there are Members present who do not wish to hear the hon. Member for Brighton, Pavilion (Caroline Lucas) on the subject of the liquidation of DMB Solutions, I entreat them, please, to leave the Chamber quickly and quietly, so that the substantial number of Members remaining can listen to her oration with due attention.

DMB Solutions: Liquidation

Motion made, and Question proposed, That this House do now adjourn.—(Rebecca Harris.)

10.4 pm

Caroline Lucas (Brighton, Pavilion) (Green): The issue that I should like to raise tonight has arisen in my constituency in recent weeks, but it has national implications. I am also sure that it will be familiar to many Members of this House: namely, the sudden collapse of a private sector business—in this case, a building services company. That collapse has left my constituents out of pocket and in some cases literally out of their home. Understandably, they are angry and frustrated by the response, or more accurately, the lack of it from the relevant state bodies.

DMB Solutions, a Brighton-based building and design company, went into voluntary liquidation over the new year. It had operated in my constituency since about 2009 and, to a slightly lesser extent, in the neighbouring constituencies of the hon. Member for Hove (Peter Kyle), who I am delighted to see in his place, and the hon. Member for Brighton, Kemptown (Lloyd Russell-Moyle). The fallout from the collapse of the company has gained national media attention, owing to both the number of people affected and the scale of the financial losses they suffered. More than 400 local people have joined a victim support group on Facebook set up more than a year before the company collapsed—a point to which I will return—while a significant number have lost in excess of £50,000. This was money saved up over years and paid to DMB for work that will now never be completed, or at least not by DMB Solutions.

It has been shocking and heart-breaking to meet my constituents and hear at first hand the devastating situations in which many have been left by the demise of the company. For example, Norma Smith, who is 84 years old, employed DMB Solutions last summer to build a wet room with a toilet in the downstairs of her house in anticipation of one day being unable to use the stairs. In common with many others who have complained to me about DMB Solutions, Norma paid in full before work commenced. She reports that the contract time of three to four weeks for completion stretched into months and months, during which she was confined to living in her bedroom.

Norma eventually cancelled part of the project in a bid to save costs, but that money was never returned to her. Moreover, a leaking pipe caused flooding in her home and damage to floorboards that she had to pay a carpenter to repair. The project was never fully completed by DMB Solutions, and Norma has since had to employ another building company to create a shower space instead of the wet room originally envisaged. She says:

“As the weeks went by with very little work being carried out, downstairs a building site, I become very exhausted. In the end, I had to ask my son-in-law to take on all communication with the company, and with Trading Standards. I do hope that the company will be fully investigated, as the damage, not only in financial terms but also the emotional toll, has been huge.”

The psychological impact of such cases—the stress and anxiety caused, as well as the financial problems—cannot be overestimated.

Peter Kyle (Hove) (Lab): The hon. Lady is making a powerful point. To add to her catalogue of constituents, I can speak of those who have turned to me, such as Alison,

who gave £30,000 to this company six days before it went bust. It knew it would not fulfil the order, yet it took £30,000 from somebody—in the full knowledge that it would not complete the work. Does the hon. Lady not think that in such cases the authorities should investigate fully to ensure that the full force of the law is on the side of people such as Alison, not of the directors, who were clearly ripping her off?

Caroline Lucas: I thank the hon. Gentleman for his intervention, and I agree entirely. It is a point to which I will return shortly. As he says, the company must have known six days before it chose to go into liquidation that it was about to do that. I would have thought that to seek tens of thousands of pounds just days before was criminal—I would have thought it was fraud—but we are having great difficulty prosecuting the case.

I want to share one last story from a constituent who told me:

“My partner and I started a project with DMB Solutions in May last year. The project – to rearrange rooms in the loft extension, and create an extension housing a large open plan family room downstairs – was intended to take four weeks and cost about £95,000. We did some research on the company and were unable to find anything concerning. We had seen several boards outside houses and were impressed by the website and by the promises of the design consultant. However, in early January this year, we found ourselves in the position of having an upstairs with no heating, water or Building Control approval, and a downstairs with holes in the ceilings, unattached electrical cables hanging through ceilings, damage to rooms which were outside the scope of works, and a water system which does not provide enough hot water for a bath. We had paid all the money in accordance with the staged payment plan we had signed, so we are £60,000 out of pocket, and our lovely home has been ruined. These events have rocked me to the core and I still cannot quite believe this awful thing has happened to us. In my opinion, DMB Solutions have acted incompetently, immorally and illegally. What I find so distressing is that various bodies and organisations that exist partly to protect the public in these situations seem to have been ineffectual, enabling the company and Directors to continue to operate.”

Jim Shannon (Strangford) (DUP): Today it is DMB Solutions and Brighton Pavilion; tomorrow it will be another company in Edinburgh, Cardiff or Belfast—this is a problem across the whole United Kingdom. Does the hon. Lady agree that it is essential that subcontractors be able to continue with and be paid for work that has been started and that this be a priority for the liquidators, because sometimes small contractors are able to finish the job for a small price?

Caroline Lucas: The hon. Gentleman has drawn attention to a very important issue. It is not just individual householders who are suffering; many companies are also suffering, and the smaller ones may face bankruptcy as a result of not being paid by the other companies. The ripple effect of these actions extends very far, and of course it is by no means limited to one part of the country. This is happening in all the nations of the United Kingdom.

My constituent went on to say:

“I understand that Trading Standards and the Federation of Master Builders had been aware of complaints about this company for more than a year. I also understand that DMB Solutions owed...half a million pounds in taxes.

How can it be that they were still allowed to be operating, and taking money from new customers for work that it was likely they had no intention of completing satisfactorily? I am sure that had I

personally owed a proportional amount of money in taxes, someone in authority would have been having a stern conversation with me about it."

I think that my constituent was entirely right.

One of the striking features of the many cases brought to my attention is the fact that—as we heard from the hon. Member for Hove—the office of DMB Solutions was sending out invoices to customers for work yet to be undertaken, right up until a few days before the directors of the company called in the liquidators on 29 December. For example, Mandy Stewart, a teacher, contracted with DMB Solutions last summer to do a loft conversion at her home. Her partner's daughter and granddaughter were moving in with them, and work began in mid-October. The project was never completed. Mandy was left with a partially finished and uninhabitable loft conversion, damage to her neighbour's roof, and damage to her ceilings and light fittings because a tarpaulin had been badly fitted by DMB's workers during wet and windy weather.

Having paid some £41,000 to DMB Solutions, Mandy is now faced with finding further funds to have the work completed. She also needs to pay for inspection by a structural surveyor to ensure that what has been done so far is safe, to engage building control representatives to sign off the work and to have scaffolding re-erected because the previous company took theirs down when they had not been paid by DMB Solutions.

Furthermore, on 21 December, Mandy received an invoice for almost £10,000 for the next stage of the project. It was not actually due until January, but the covering e-mail from DMB Solutions stated that it was being sent early because the DMB offices would be closed during the Christmas break. As by then Mandy had serious concerns about the work that had been done, she did not pay, but, as she says,

"it is extremely hard to believe that the DMB directors did not know that the company was insolvent on 21 December 2017, barely four working days before they called in the administrators."

From the accounts that I have been given, it is clear that Mandy is far from alone in having been invoiced by DMB Solutions for a large sum of money, by email on or about 21 December, when the directors must have known that the company faced imminent insolvency. In fact, it is clear that the company was signing up new customers as late as mid-December. Charlotte Preston paid £11,000 to DMB Solutions for an extension to her home on 15 December, but no work was ever started. Even more disturbingly, it is clear that disgruntled customers of DMB Solutions were reporting serious concerns about the company to trading standards as far back as early 2016.

According to accounts filed with Companies House on 11 December, by the time the company went into liquidation on 2 January this year, it owed no less than £542,000 to HMRC in unpaid VAT. Indeed, it seems that it may have been trading unlawfully for a considerable time before its collapse. One member of the Facebook victim support group, Andrew Painton, first raised concerns with trading standards that DMB Solutions was trading fraudulently, rather than just incompetently, in March 2017, and has done so many times since then. In January this year, Andrew told me:

"To say that the performance of Trading Standards has been lamentable would, in my view, be over praising them. They could have done so much more to protect the customers who became victims of this company during the latter nine months of 2017."

He continued:

"In the Autumn of 2017, a fellow member of the Facebook victim support group submitted a Freedom of Information request to Trading Standards, and this revealed the escalating number of complaints in recent years about DMB Solutions. This did galvanise Trading Standards into action...but it was too little too late."

I recognise, of course, that Ministers are not responsible for the collapse of private sector businesses, but I hope that the Minister will be able to help this evening by providing clarity about what my constituents can do. Specifically, they want to know how to try to obtain financial recompense and how to ensure that the directors of DMB Solutions cannot simply walk away from their debts—both to their unfortunate customers and to the taxpayer—and start all over again by forming a new company. I can find no adequate Government guidance on either of those points. If there is no comfort under existing legal frameworks, perhaps the Minister can point me to the changes that would be required to company law, or any other laws, that would allow my constituents to be recompensed for their suffering.

Since December, the local trading standards office has been collecting evidence from those affected by the collapse of DMB Solutions. It has also advised them to make a complaint to the Action Fraud line, which reports to the National Fraud Intelligence Bureau, based in the City of London police service. Trading standards in Brighton also says that it plans to submit a report to the economic crime unit of Sussex police. However, the Action Fraud line appears to focus on cyber-crime, rather than incompetently run or even unlawfully run building companies, and the House of Commons Library has been emphatic in advising me that there is nothing that trading standards will now be able to do for those of my constituents who have lost out as a result of the collapse of DMB Solutions. The Library tells me that the appropriate body, at least in terms of seeking to get the directors of DMB Solutions disqualified from acting as company directors in future—something my constituents are understandably keen to see happen—is the Insolvency Service.

My office has consulted a local lawyer specialising in consumer rights, who similarly suggested that the Insolvency Service, not trading standards, is the appropriate body for my constituents to complain to about DMB Solutions. However, the Insolvency Service phone line no longer exists, and its website has a small amount of hard-to-find information on it, stating that it can carry out a confidential investigation or pass complaints on to another public body if they are serious enough, and that if it finds anything wrong and has enough evidence it might ask a court to close a company down or disqualify the company's directors. It might also carry out a criminal investigation if it finds the company has committed an offence.

However, Andrew Painton of the Facebook victim support group tells me that he has twice complained to the Insolvency Service about DMB Solutions, but on each occasion received only a standard response saying that the service was not considering an investigation against the company. Moreover, the Insolvency Service advises that if a company has already gone into administration, into receivership or is being liquidated, complaints need to be directed to the official receiver or insolvency practitioner. I have emailed them myself, but to date have not had a response.

[Caroline Lucas]

Trading standards—which appears to have done nothing when it had the chance to do so—is now acting as if it is responsible. It is doing so in concert with Action Fraud and the National Fraud Intelligence Bureau, which does not appear to me to have any obvious role in such a situation. My constituents are confused and they need clarity about who is responsible for ensuring enforcement of the law against the directors of DMB Solutions. In short, it is all about as clear as mud.

While I do not, of course, expect the Minister to accept any responsibility for the collapse of DMB Solutions, I do hope he will be able to set out, clearly and authoritatively, which public body or bodies are now responsible for gathering evidence from my constituents and considering what action needs to be taken against the directors of the company. I would also like to know whether the Minister agrees that the Department should do more to ensure that members of the public have access to reliable, accurate information when such problems arise. People need to know which body to turn to, and what they can expect that body to do, first, when they experience such shockingly poor service by a private sector business—as numerous customers of DMB Solutions clearly did for at least a year before the company collapsed—and, secondly, when, as in this case, a business goes into liquidation and the directors apparently disappear.

More particularly, on behalf of my constituents, I would like the Minister to answer the following questions. If the Insolvency Service is responsible, is it good enough to have a few sparse paragraphs of so-called guidance for members of the public hidden away on a corner of its website? I do not think it is. Could there not be a single, well signposted and advertised point of contact—a one-stop shop—for members of the public who fall victim to the poor business practices and eventual collapse of a limited company like DMB Solutions? Is there perhaps a role for the Citizens Advice consumer helpline here? Currently, the helpline appears to refer only to trading standards, but what if trading standards is not the appropriate enforcement body, as we have been told it is not in this case? Could the appropriate enforcement body, whichever it is, be facilitated and resourced to take a more proactive approach to ensuring that, in such a situation, directors of a failed company are disqualified from acting as directors in future if there are grounds for such disqualification?

I appreciate that there are a number of questions, but I greatly look forward to hearing the Minister's response, not least because many families and individuals in my constituency are depending on it.

Mr Speaker: I call the Under-Secretary of State for Business, Energy and Industrial Strategy, the hon. Member for Watford (Richard Harrington) to respond to the debate.

10.19 pm

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Richard Harrington): Thank you, Mr Speaker, for such a lengthy and erudite introduction. I expected nothing less, and I was not disappointed.

The hon. Member for Brighton, Pavilion (Caroline Lucas) has brought a serious matter to the House, and I thank her for raising this important issue. I am also grateful for the interventions and contributions from the hon. Members for Hove (Peter Kyle) and for Strangford (Jim Shannon). We have heard terrible stories about their constituents. I have to say that I was not surprised, however. I had heard such stories before, being an occasional reader of the Brighton *Argus*, and I know that the hon. Lady is not just describing a one-off here. It is the job of the Insolvency Service, the Department for Business, Energy and Industrial Strategy and the entire trading standards system to do what they can to provide recompense for her constituents.

Peter Kyle: I am pleased to hear that the Minister reads the Brighton and Hove *Argus*. He has mentioned several of the agencies that people can turn to in these situations, but is it not the case that the landscape of regulation is very complicated? The constituents that we have been describing today simply do not think that any one agency has a grip on such situations.

Richard Harrington: I thank the hon. Gentleman for his intervention. I hope that I will be able to partly satisfy him with the comments that I am going to make. If not, I will be happy to meet him and the hon. Lady, representing the Greater Brighton constituencies, to take up any further points.

The insolvency regime is an important part of the framework of business, even though it has to deal with the unintended consequences of it. To put this into perspective, levels of insolvency are low, but when it does happen—particularly in consumer-facing companies such as this building company—it can have a significant impact on customers, employees and suppliers. It is an unfortunate fact of life that companies sometimes have to cease trading without paying their debts, and that when they do, creditors can often suffer, with little or no chance of receiving their money back. This is exacerbated in circumstances such as these when customers have paid for work in advance, because those people have often saved for some considerable time to have improvements made to their house, for example.

In many cases, insolvency proceedings such as liquidation will follow. These allow an expert in insolvency, who is authorised and bonded, to be appointed to oversee an orderly winding-up of the company's affairs, to sell its assets and to make dividend payments to creditors from the funds available. It is an important principle of the insolvency regime that unsecured creditors rank equally when it comes to receiving such payments. Only certain creditors, such as employees, are paid in priority.

Hon. Members will appreciate that I cannot comment specifically on the liquidation of DMB at this early stage of the proceedings. The liquidators have an important task to carry out in winding up the company and making such reports to the creditors as are appropriate. I am aware that complaints have been made to trading standards—

Paul Girvan (South Antrim) (DUP): Will the Minister give way?

Richard Harrington: I hope that the hon. Gentleman will bear with me. I do not want to run out of time without having tried properly to answer all the questions. If there is time left at the end, I will be delighted to give way to him.

I am aware that complaints have been made to trading standards, and we will have to wait for that authority to reach its conclusions. In the meantime, however, we are not sitting idly by. All traders are subject to consumer protection regulations which, for example, require them to provide clear and full information and allow consumers to unwind a contract if they have been the victim of a misleading commercial practice. It is right that any alleged breaches of those regulations should in the first instance be reported to trading standards.

I will set out how the regime impacts on creditors. The first thing to say is that directors who do not play by the rules can expect to be held accountable. It is a long-established principle of company law that directors must act in the best interests of their company, but once the company approaches insolvency, their first duty must be to the creditors. I note from the hon. Members' comments that, in this case, some of the money was paid a few days before insolvency. Without speaking specifically about this firm, I can say that that is highly relevant to the possible actions open to the authorities. I will say more about that in a moment.

In the majority of company insolvencies, the law is obeyed. Once it has been established that the company cannot pay its debts, a responsible director should take steps to protect creditors, and if a solution to the problem cannot be found, the company may enter into formal insolvency proceedings.

However, not all directors are that diligent. Sometimes, they bury their heads in the sand and continue to run the company as if nothing has happened, or they try to use money owed to creditors as working capital, so that the company may continue to operate, and pay their own salaries. In those few cases, the position of creditors, such as customers who have paid for work in advance, may deteriorate, which would seem to be the case here, given what we have been told. Such directors may be subject to disqualification proceedings, which if successful will prevent them from acting as a director of a company, whether formally appointed or not, for a period of between two and 15 years.

The Government are responsible for disqualification of unfit directors via the Insolvency Service, which assesses insolvent company cases to decide whether to investigate the conduct of the directors and, where appropriate, seek disqualification orders. A person who acts as a director while disqualified is committing a criminal offence and, further, they are personally liable for any debts of a company incurred while they were breaching the disqualification.

Caroline Lucas: The people who have been affected have already contacted the Insolvency Service, which has said that it will not investigate, so where do they go now?

Richard Harrington: At this juncture, the hon. Lady and her constituents have to accept that this is the beginning of the proceedings.

An investigation may lead to evidence of criminal offences committed by directors, such as fraud. In those cases, directors may face prosecution as well as disqualification proceedings. All that will usually start—this is the relevant point—with the receipt of a report on the conduct of the directors of an insolvent company, which must be submitted by the liquidator within three months of their appointment. Having said that, in deciding whether

there should be an investigation, all sources of information will be considered, including information from creditors of the company, its customers, its records and other agencies. If the hon. Lady's constituents have information about the conduct of the directors of DMB—it appears that they certainly do—that they feel would help to decide whether there should be further investigation, they may, and should, submit it to the Insolvency Service, which has a link on its website for precisely that purpose.

Rogue directors will also discover that they may be personally liable for a company's debts if it traded while they knew, or ought to have known, that it was insolvent and creditors suffered as a result. While I cannot comment on this particular case, if the circumstances that the hon. Lady described are correct—I have every reason to believe that they are because they are based on what her constituents have told her—the firm was trading when the directors knew or ought to have known that the company was insolvent, and creditors have suffered. A court can order that they repay money to the company out of their own pockets if it can be shown that their actions, or inaction, have harmed creditors. In this situation, the directors would have breached their duty to the creditors of the company, which has the serious effect of preventing the directors from hiding behind the normal veil of incorporation that is a limited company.

Caroline Lucas: Will the Minister give way on that point?

Richard Harrington: I am going to run out of time, so I will continue. I ought to emphasise again at this point that I cannot comment specifically on the case of DMB or indeed the conduct of its directors.

I mentioned earlier that the Government continue to look for ways to strengthen regulatory and enforcement systems, and disqualification is one area where there have been recent improvements. From 2015, the powers of the Insolvency Service to investigate have been expanded, and the system for liquidators reporting on the conduct of the directors has been modernised, allowing for quicker and more efficient investigations. In addition, there is a new process whereby if a director is disqualified, and it can be shown that their actions caused direct losses to creditors, the court can order that they make a payment from their own pocket to compensate creditors or the estate. These compensation orders were introduced in the Small Business, Enterprise and Employment Act 2015.

The insolvency of a construction company such as DMB may often result in some customers having paid for work that it was not possible to complete. It is not unusual to ask the customer for a proportion of the payment up front, such as in the circumstances described by hon. Members tonight. Those circumstances may be different from insolvencies that may happen when directors behave perfectly properly and get into financial difficulties, but I will not describe that as the "normal" way, because few companies do become insolvent. There are things that become a serious matter of misconduct on the part of directors and that lead to periods of disqualification, personal liability and possibly prosecution proceedings being sought.

Caroline Lucas: Apparently, we have a couple more minutes. The Minister says there is provision to get a court to order a pay-out from people's own pockets. Does that still apply if it was a limited company?

Richard Harrington: I believe that is the case, but I do not want inadvertently to mislead the House, so I will write to the hon. Lady on that subject to answer specifically and properly.

I am genuinely sorry, as anybody would be, for the hon. Lady's constituents following this business with DMB. It is a horrible situation, but I reassure her and other Members that there will be full consideration of whether there should be further investigation of the circumstances of this insolvency. *[Interruption.]* I have been given a piece of paper saying that the answer to her question is, "Yes, it does." I will write to her anyway, because I promised that I would.

I have craved your indulgence enough, Mr Speaker—I think I have one minute left—and I hope I have been able to reassure the hon. Lady that the insolvency legislation is robust in dealing with directors who abuse the principle of limited liability. If she and her Brigtonian, Hovian and Portsladian colleague, the hon. Member for Hove, would like to meet me or the relevant officials, I am happy for them to do so.

Paul Girvan: Is it possible for protected creditors, such as Her Majesty's Revenue and Customs in respect

of VAT, to allow flexibility for those who are in most need? We are sometimes talking about the widow's mite here.

Richard Harrington: That is not currently the situation. As the hon. Gentleman will know, some creditors are protected above others, such as banks with mortgages, and we have to be careful that companies can legitimately borrow money and pay their taxes.

Caroline Lucas: The hon. Member for Hove (Peter Kyle) and I would be grateful for the meeting the Minister describes. We will follow up with his office.

Richard Harrington: I apologise for the fact that in some cases I may not have been able to answer as fully as I had hoped.

Question put and agreed to.

10.32 pm

House adjourned.

Westminster Hall

Monday 5 March 2018

[IAN AUSTIN *in the Chair*]

British Sign Language: National Curriculum

4.30 pm

Ian Austin (in the Chair): I draw Members' attention to the fact that today's proceedings are being made accessible to people who are deaf or hearing-impaired. The interpreters are using British Sign Language, and Parliament TV is showing a live, simultaneous interpretation of the debate. I call Liz Twist to move the motion.

Liz Twist (Blaydon) (Lab): I beg to move,

That this House has considered e-petition 200000 relating to British Sign Language being part of the national curriculum.

It is an honour to serve under your chairmanship, Mr Austin. Last September, I had the pleasure of meeting Erin, a young woman involved in the National Deaf Children's Society. Erin told me very clearly that many young people such as her who are deaf feel strongly that British Sign Language should be taught in schools, and that it should become a GCSE subject. As a result, more young people would be able to learn BSL, and it would be properly recognised as a language qualification, equal to other GCSEs. Erin's determination, and her clear explanation of why BSL should be a GCSE subject made a lasting impression on me. When today's petition, created by Wayne Barrow, who is in the Gallery, came before the Petitions Committee, I was keen to speak on it, and to introduce it on behalf of Wayne, the many other petitioners and Erin.

Other hon. Members on the Committee were very conscious that, although the petition had not reached 100,000 signatures, which is the usual threshold, the issue should be considered by the House, because it is difficult to ask for 100,000 signatures when fewer than 100,000 people speak BSL as their first language. The Committee was also very keen that the debate be signed, so that young deaf people, and the not so young, could follow the debate as it happened—a first for a live debate in this House. I hope it is the first of many, as Parliament reaches out and becomes more inclusive. I thank our signers, the Committee and the House staff who made it possible.

What a day to be holding this debate, after the British film, "The Silent Child", won the Oscar for best live-action short film last night. Furthermore, the acceptance speech by actress Rachel Shenton was signed—another achievement, and another step forward.

Justin Tomlinson (North Swindon) (Con): The hon. Lady is making a powerful speech. Maisie Sly, the six-year-old actress in the film, who is profoundly deaf, is one of my constituents. The mainstream state school that she goes to has embraced sign language, which has really inspired lots of young people, who want to take it up. As the former Minister for Disabled People, I know that we have a chronic shortage of BSL interpreters in

this country. If we can tap into that inspiration, we can solve more problems and help people like Maisie, whom we are very proud of in Swindon.

Liz Twist: I thank the hon. Gentleman for his intervention and for the information about the school, which I am sure is a good example to many others.

Laura Smith (Crewe and Nantwich) (Lab): While I was training to become a primary school teacher during the early 2000s, I completed a placement in a mainstream primary school that had fully embraced the integration of all children. Teachers spoke with a special microphone that was tuned into the children's implants, and every session was signed. All the children benefited, and I benefited as a teacher; everyone benefits from this. I also congratulate Rachel Shenton and Maisie—what an amazing achievement. Let us hope that we see plenty more signing going on in Parliament in every debate.

Liz Twist: I thank my hon. Friend for her intervention. She gave a good example of how everyone benefits from BSL and signing, which is an idea that I will touch on later.

As I was saying, yesterday "The Silent Child" won an Oscar. Starring six-year-old Maisie Sly and Rachel Shenton, it tells the story of a four-year-old profoundly deaf girl who struggles to communicate until she learns sign language. I am sure that all Members will join me in sending our congratulations to Maisie, Rachel and the team that produced the film. Now all I have to do is follow that.

Moving on to the petition itself, the petitioners ask for BSL to be part of the national curriculum. They point out that about 50,000 people in the UK use BSL, that many children are born deaf and that those children should be given

"a better chance at a more integrated future."

Thelma Walker (Colne Valley) (Lab): I commend my hon. Friend on securing today's debate. Deaf children should be able to interact with their peers as much as those children who can hear. Does she agree that a simple solution to make our education system truly inclusive would be for the Department for Education to include British Sign Language in the national curriculum for all schools and all children?

Liz Twist: I thank my hon. Friend for that intervention. I agree with that statement, and I hope to explain why.

The petitioners want BSL to be part of the national curriculum, giving better life chances to young people who are deaf. They believe that if BSL becomes part of the national curriculum, that will even up the chances of deaf young people being able to play a full part in school and attain the best results they can.

Let us look at the case. Research by the National Deaf Children's Society into the attainment of deaf children in 2017 shows that deaf children continue to underachieve throughout their education compared with other children. Although the Department for Education claimed recently that attainment for deaf children is at an all-time high, the latest figures show that the attainment gap between deaf children and children with no identified special needs is widening, with the gap at GCSE level being particularly worrying. In 2016, 41.3% of deaf

[Liz Twist]

children achieved the expected benchmark of five GCSEs at A* to C grade, compared with 69.3% of children with no identified special needs. That is a difference of more than 20%, which is just not acceptable in this day and age.

All that is in the context of a reduction of 14% in the number of qualified teachers of the deaf since 2011, and a 2% reduction in just one year—2016-17. We know that we have to do more to help deaf pupils to achieve their full potential and that we need to reverse the reduction in the number of teachers of the deaf. We can do that partly by ensuring that young deaf pupils are able to have effective communication. For many, that will be through BSL. BSL has been a recognised language since 2003, but unlike other languages it is not recognised as a GCSE that can be taught in schools.

Mike Hill (Hartlepool) (Lab): In Hartlepool, there are many initiatives to promote inclusion and the use of BSL. Does my hon. Friend agree that BSL should at least be offered as part of the curriculum?

Liz Twist: I agree with my hon. Friend that that is very important.

A pilot GCSE has been trialled and is ready to go, but the DfE is refusing to give it the go-ahead. I ask the Minister to talk to his colleagues in other Departments, and to work with them to agree the GCSE and make it available to students. The absence of a qualification in BSL with the same status as other GCSEs discourages schools from teaching sign language—a view supported by a survey run by an organisation called Signature, which I will talk about shortly.

However, making BSL a national curriculum subject is about more than just exams. It is about the whole young person and ensuring that they are able to play a full part in school activities, get on with their peers and have a full life in school and out of school.

Bambos Charalambous (Enfield, Southgate) (Lab): Is my hon. Friend aware that 23,000 children aged under 15 suffer from deafness? Teaching BSL in schools will increase the inclusion of those children, help others understand what it is to be deaf, and therefore help social cohesion in school for all pupils.

Liz Twist: I agree strongly with my hon. Friend's point. It is really important that deaf children are able to take part fully in the life of the school.

In 2016-17, Signature carried out a survey of more than 2,000 young people, of whom 700 were deaf and 1,400 were hearing, on behalf of the National Deaf Children's Society youth advisory board, which is made up of young people from across the UK, such as Erin, who believe strongly that there should be more opportunities for young people—deaf or hearing—to learn BSL, which is an officially recognised language in the UK. The survey showed that 91% of young people want to learn sign language, 92% think schools should offer a BSL GCSE, and 97% think BSL should be taught in schools. Their reasons include inclusivity, as doing those things would ensure that deaf people are fully integrated into society and not disadvantaged because others cannot communicate with them effectively; the importance of communication in general; and equality—they likened

learning BSL to learning French or Spanish and said that BSL was at least equally important. They thought that being able to use BSL would improve employment prospects, both directly and indirectly, but many did not know of anywhere they could learn it at no or little cost.

I have already mentioned the shortage of qualified teachers of the deaf, but there is a wider shortage. In 2017, the Department for Work and Pensions highlighted that shortages in sign language interpreters have resulted in higher costs for Government programmes such as Access to Work, and have made it harder for deaf people to enter the workplace. A GCSE could lead to more people considering interpreting for deaf people as a career.

I do not want to make this petition downbeat. Some amazing young and older people are getting out there and making the case for BSL and other measures to improve inclusivity. Since this debate was announced, a number of people—not just young people—have contacted me to tell me about the work they are doing. They include Kathy Robinson, who runs Signs for Success, which teaches very young children to sign so they can communicate from their earliest days and do not face the isolation that can come with deafness. She believes that all children—not just those who are deaf—can benefit from learning to sign. People such as Erin and other young people from the National Deaf Children's Society are out there campaigning on this issue.

As you do these days, I googled Wayne and had a look at his Twitter feed and at the site that he and his friend Lizzy Jay have, on which they sign and sing pop songs—actually, Wayne assures me that he does not sing, because he cannot, but he signs along to pop songs. This debate and this petition are about BSL helping young people to have fun as well as learn. It is not all about serious stuff.

I was contacted by a young constituent from Blaydon—I will not give her name—who told me about her time at school, which was not an easy experience. She is out there pushing for more people to learn BSL. We need to ensure deaf young people have the best possible chance. This petition is one way of ensuring we make progress in this area.

It is about time that some of us MPs had a go at learning BSL. I am sure we could arrange classes in this place. I am sure that is achievable. I will commit to putting my name down to learn, and I know that many other Members will join me.

One of the great things about petitions is that we get a Government response—hon. Members may have seen it on the website—so we know what the Minister may be going to say, although I very much hope he will be much bolder in what he says about the proposal to include BSL in the national curriculum. I am sure other hon. Members will ask him to do the same. Basically, the Government said, "Schools can already teach it. It doesn't need to be part of the national curriculum. We have no plans to change it." Well yes, Minister, we know that schools can do it, but those of us who have been teachers, governors or just parents know that the school timetable is already under huge pressure. Without an additional push, in most cases it will not happen. We know from the National Deaf Children's Society survey that young people are keen and willing to learn BSL, but the Government must help to make it part of the curriculum.

The Government said—a number of people said to me that they took exception to this comment—that BSL is a “useful tool”. It is not just a useful tool; it is an essential part of communicating with the outside world and other people. It is an essential tool for many of our young people, and we should respect that.

In conclusion, I ask the Minister to push the boat out a bit, to respond positively to the request to make BSL part of the national curriculum, and to give our deaf young people the best possible chance.

4.46 pm

Peter Aldous (Waveney) (Con): It is a pleasure to serve under your chairmanship, Mr Austin. I congratulate the hon. Member for Blaydon (Liz Twist) on her work in facilitating this debate.

It is either coincidental or a subliminal message from another place that this debate is taking place on the same day that “The Silent Child” won an Oscar. I have not seen the film, but I understand that sign language is the means by which a whole new world is opened up for Libby, the four-year-old star of the story. Similarly, if BSL is part of the national curriculum and there is a GCSE in sign language, a whole new world will be opened up for thousands of deaf and hard-of-hearing young children and adults around the UK.

Later this month, I shall be accompanying Daniel Jillings from Lowestoft and his mother, Ann, to meet the Minister, at his very kind invitation, so they can explain why a GCSE in sign language is so important to them. Ann highlighted to me that BSL is deaf children’s first language. She said it is discriminatory that they do not have the opportunity to achieve the most widely recognised qualification in their first language, and that it is given a lower status than other languages. It is accepted that there are other accredited qualifications in BSL, but they are not widely available to children in schools and are less likely to be recognised by employers.

Daniel achieved his BSL level 1 three years ago. It was not funded, and Ann tutored him and paid for all the assessments herself. That is not right. There is a compelling case for a GCSE in BSL. First, we must ensure equality. Many other languages are rightly taught at GCSE, including Arabic, Biblical Hebrew, Persian and Urdu. In an outward-looking, pluralistic country, it is right that they are taught, but the deaf and the hard of hearing must be placed on the same level playing field.

Secondly, the continuing absence of a GCSE in BSL is a denial of choice. A survey by the National Deaf Children’s Society’s youth advisory board found that 92% of young people who are deaf or hard of hearing think schools should offer a BSL GCSE.

Finally, the continuing non-availability of a GCSE in BSL puts up a barrier for many young people initially to further and higher education and thereafter to entry into the workplace. A barrier was taken down in Hollywood last night, as Rachel Shenton used BSL in her Oscar acceptance speech. I look forward to meeting the Minister with Daniel and Ann later this month so we can begin work on taking down a barrier in Westminster.

4.49 pm

Jim Fitzpatrick (Poplar and Limehouse) (Lab): It is a pleasure to see you in the Chair, Mr Austin. I am grateful to the Petitions Committee and my hon. Friend the Member for Blaydon (Liz Twist) for the opportunity

to debate the issue. I am very pleased to see that the proceedings are being broadcast live with full British Sign Language interpretation.

I should record that I wear two hearing aids, because my hearing was damaged during my time in the London fire brigade, although I am sure age is contributing as well now. I am also chair of the all-party parliamentary group on deafness.

The previous debate, secured in Westminster Hall by the all-party group, was on 30 November, and excellent speeches were made by many colleagues. It was signed, if not live, but that too was a parliamentary first. This is the first debate with simultaneous translation for the live feed, although I understand it has been something of a challenge to make it possible, so I congratulate the House authorities and the Petitions Committee on ensuring that it happens today.

The 30 November debate was wide-ranging, whereas today’s is specific to British Sign Language and making it part of the national curriculum. The APPG has been trying to identify which Minister in which Department we should speak to about this important matter. On 11 September last year I submitted a parliamentary question to the Cabinet Office to ask just that, but the answer was not clear. Subsequently, we chased not only the Cabinet Office but the Department for Work and Pensions, the Department for Education, the Department for Digital, Culture, Media and Sport, and the Department of Health and Social Care for clarification. It now seems to be clear that the Department for Work and Pensions is the lead Department because deafness is a disability, which has some logic.

I therefore need to ask the Minister what discussions he has had with his ministerial colleagues at the DWP about the prospects for a British Sign Language GCSE. As he knows, the DFE has already piloted a GCSE and has it ready to go, but the Government will not give it the green light. One has to ask why not. Perhaps the Minister will explain in the wind-ups whether that is a DWP decision or a DFE one.

Scotland has led the way with the passing of the British Sign Language (Scotland) Act 2015. In 2016 Northern Ireland launched its consultation, and now the Welsh Government are consulting on introducing BSL into their curriculum. England seems to be lagging behind. In 2003, in UK terms, BSL was officially recognised as a language in its own right by the Department for Work and Pensions. In 2009 the UK Government ratified the UN convention on the rights of persons with disabilities, which states, among other things, that we should uphold such rights by:

“Recognizing and promoting the use of sign languages.”

Having said that, however, I think there is a small conflict between the title of the petition and what people were being asked to sign. The title states, “Make British Sign Language part of the National Curriculum”, but the wording asks why BSL is not taught in schools. The National Deaf Children’s Society has reiterated its position on a BSL GCSE: the society does not believe that it needs to be a mandatory part of the national curriculum, but that it might be easier for the DFE simply to approve the GCSE in British Sign Language that has already been piloted. That would make it an option for schools, should they deem it appropriate, but the DFE appears to be refusing to give the go-ahead due to a blanket policy on no new GCSEs.

[Jim Fitzpatrick]

The NDCS reinforces its view with a variety of points. On equality, if we can teach Turkish, Japanese and Russian—the hon. Member for Waveney (Peter Aldous) came up with some even more obscure examples—but not British Sign Language, the implication is that BSL has a lower status and importance. Surely that could be demonstrated to be discriminatory if it came to the courts. On denial of choice, thousands of young people, whether deaf or hearing, would choose the subject, but they do not get the chance. On discouraging the teaching of BSL, having no GCSE deters teachers because it has reduced status. On reducing options for young deaf people and supporting wider Government initiatives, as we have heard, the DWP accepted in a 2017 report that we have a shortage of registered deaf interpreters, resulting in higher costs for such services and making it harder for deaf people to enter the workforce.

My questions for the Minister include the following: if the Department has a ready-to-go GCSE, why not authorise it? Why encourage schools to teach BSL without affording them the chance to benchmark their performances? Why offer GCSE equivalents in the form of national vocational qualifications but not a GCSE? I think—I suspect the NDCS does too—that the strongest of those points was the first: the question whether the decision not to support a BSL GCSE is discriminatory. The society promotes the issue first as a matter of law and, were a case to come before the courts, the Government could be forced to act.

I do not think that the Government should be forced to act; I think they should do so voluntarily. They should not be embarrassed or shamed by Edinburgh, Cardiff and Belfast for dragging their feet on the matter. In my view, that is doing not only a great disservice to deaf English schoolchildren but much more—it is tantamount to insulting them. Parliament is saying to the thousands on thousands of youngsters for whom British Sign Language is a primary method of communication with each other and the world that Turkish, Japanese, Russian, Chinese, Greek and Portuguese are more important than their language.

The Minister is held in high regard throughout the House for his integrity and honesty, but I have to ask him, are we sure about this? I am sure that he will not want to give a negative response to that question but, equally, I will be very surprised if he can say anything positive today. No, I will be more than surprised—I will be delighted if he can say something more positive on the subject. The least I hope that the Minister can do, however, would be to agree to take the matter back to the Department, to discuss it with ministerial colleagues and to try again. The officers of the all-party parliamentary group and deaf organisations have a meeting with the Minister on the subject, as he knows, next Monday afternoon. We will press our case before him again then.

In conclusion, I am grateful for another opportunity to raise this issue. I am sure that the Minister knows it will not go away. The Government, I think, recognise not only the inconsistency of their position, not only the unfairness in the provision, but the positive opportunities a change of policy would offer. I look forward to the day when we hear of such a change. Today would be great, next Monday would do also, but soon, Minister, please—soon.

4.57 pm

Emma Hardy (Kingston upon Hull West and Hessle) (Lab): In 2015, Samsung produced an advert called “Hearing Hands”. In it, a whole town learns sign language, allowing people to communicate with a deaf man. It is incredibly moving because, as he enters every shop, people sign back to him, communicating with him. That helps to break down the barriers and makes him feel part of wider society. I challenge anyone present who watches that advert not to feel a little choked up and moved by it, or not to feel inspired that that is exactly the kind of society we should have. That is exactly what we want our world to be like. The slogan for the advertising campaign was, “A world without barriers is our dream, too”. Surely that should be the dream of the Government and, of course, the Opposition. I should mention that other companies are available

The Equality Act 2010, which was brought in by the last Labour Government, has done a huge amount to improve the lives of deaf people, but there is still a long way to go. We are in desperate need of more people to learn British Sign Language so that we can get to the stage where we want to be. Schools have the power to create an almost perfect example—a microcosm almost—of what our society should be: welcoming and inclusive for everyone. Schools can play a massive role in improving people’s knowledge of British Sign Language, helping to create a “Hearing Hands” society.

As a primary school teacher, I learned a very limited amount of sign language, and I will definitely be joining my hon. Friend the Member for Blaydon (Liz Twist) to learn more, because it helps to broaden us and open us up to being able to communicate with so many more people. Although BSL is a recognised language within the UK, it is not available as a GCSE that can be taught in schools.

During the conference recess last year, I met people from the National Deaf Children’s Society. They told me that a GCSE in British Sign Language has already been piloted and is ready to go. So yes, our children could already have the option to learn British Sign Language in schools, but the Department for Education is refusing to give the GCSE the go-ahead. I completely agree with the points that have been made about when a teacher is supposed to teach British Sign Language if it is not part of the national curriculum. Personal, social and health education is already being squeezed out to nothing. Even if schools were told, “It’s something you could do,” and desperately wanted to teach it, how many have the time or capacity to actually do that?

I therefore call on the Government to rethink their approach and ensure that a GCSE qualification is made available as soon as possible. Not allowing British Sign Language to be taught as a GCSE alongside other languages, many of which have been mentioned, implies that it has a lower status and importance than those other languages. It is already hard for deaf children to feel included when their key way of communicating is not recognised in the curriculum as a GCSE. Loads of GCSEs are available in so many subjects, and we do not even ask for British Sign Language to be made compulsory.

Although there are other British Sign Language qualifications that students can take, the league table-obsessed, data-obsessed, exam-filled, narrow, fear-driven schooling and curriculum that the Government have encouraged for the past eight years means that they are

less likely to be offered in schools because they are not GCSEs. Our country's examinations system shows the world what we value. It says, "This is what we value, because this is what we examine and this is what we count." The exclusion of British Sign Language is a damning indication of what the Government hold in high regard.

Because British Sign Language is not a GCSE, it is seen as having lower status not only by teachers but by employers. That makes it harder for deaf children to evidence their full abilities and puts them at a massive disadvantage to their peers who are not deaf. However, it is not just deaf children who want a GCSE in British Sign Language: the National Deaf Children's Society surveyed a lot of different children in 2016 and found that nine out of 10 young people who are not deaf agree that British Sign Language should be offered in schools as a GCSE. That is because they recognise the potential wider societal benefits of everyone learning British Sign Language.

At my church, the Tower Hill Methodist church in Hessle, a volunteer called Cathy signs all our services. That has allowed more people to join our community and come to our services. That is just one example of how British Sign Language allows us to communicate with more people, make new friendships and have new experiences that enrich everyone's lives. Beyond the Department for Education, the Government must recognise the wider societal benefits of British Sign Language, because the Department for Work and Pensions issued a report last year highlighting the shortage of language interpreters, which results in higher costs for Government programmes such as Access to Work. A British Sign Language GCSE could lead to more people considering interpreting as a career and help to address such issues.

The barriers to British Sign Language being recognised as part of the curriculum are unfair, restrict choice and stand in the way of much wider societal benefits. A GCSE in British Sign Language has been piloted and is ready to go, but it cannot be studied. Why? Because of a political choice. That shows again what the Government value and what they do not. A world without barriers should be everyone's dream. The Government have the power to take a small step towards creating the fictional world that was played out on the television in all those adverts in 2015. I ask the Minister to listen to other hon. Members and me and give British Sign Language a GCSE.

5.3 pm

Rachael Maskell (York Central) (Lab/Co-op): [*In British Sign Language: "Thank you, Chair. It is a pleasure to serve under your chairmanship."*]

I started by signing, creating a barrier for everybody who does not sign, because I wanted to make the point that British Sign Language is the first language of 70,000 people in our country, so it is really important to understand how we create barriers and disable people. People are not disabled, except by the barriers we create for them.

I thank my hon. Friend the Member for Blaydon (Liz Twist) for the way she opened the debate. I want to tell the story of why I learned sign language, explain why it is really important that BSL is in the national curriculum, and ask the Minister some questions. I also thank the interpreters for their work.

I began learning sign language because my neighbours were profoundly deaf. We would write notes to one another, but I never got to know them that well. We had a barrier between us: they could not verbalise and I could not sign. I asked myself who had created that barrier and thought, "Actually, I've got a responsibility to learn how to break that barrier." That was my first reason for learning. My second was that I was a physiotherapist in a school where children signed and they were teaching me. I wanted to treat them, as their physio, so we had to work together to find a way to ensure that they understood what I was saying, and it was really important that I understood them. My third reason for learning was that I became the head of equalities at the trade union MSF, which became Unite, where my whole *raison d'être* was taking down barriers for disabled people, whether they had a physical impairment or a hearing impairment. There I was, saying one thing and doing another, so I took myself off to night school and learned to sign.

Learning to sign was an incredible experience, which I recommend to everyone. Not only did I have a lot of fun and laugh at myself, but it meant that I could create new friendships and had new opportunities. Throughout my life, I have found it incredibly useful. I have been at meetings where there have been non-hearing people and I have been able to interpret for them. My signing is not perfect, and I am very rusty, but at least it gave those people the opportunity to access the meeting.

There are more fundamental reasons for ensuring that we sign in our country and that we make learning sign language a universal opportunity: it would improve social and economic opportunities for people with a hearing impairment and remove barriers between young people and their potential friends. We have to remove those barriers. It is absolutely right that we should put in the investment to give those children a real opportunity.

I am glad to say that I could one day communicate with my neighbours in Norwich and we were able to build a really strong friendship as a result of my being able to sign, but what about people who do not have those opportunities? I want to talk about some of the ways that sign language can open up opportunities, but it also has universal benefits. I gave an example of a meeting, but I have also been in a supermarket with a non-hearing person who did not understand what the cashier was saying. I was able to sign and break down the barrier. Believe it or not, being able to sign has also meant that I can talk to people about politics when I am out door knocking, which is good, too.

Laura Smith: I hold my hands up and say that, although I learned a little sign language as a teacher, I am very much looking forward to the classes that my hon. Friend the Member for Blaydon (Liz Twist) is going to organise. As a Member of Parliament, I feel quite ashamed. If a deaf person came to one of my surgeries, how would I communicate with them? We need to set an example. The debate is about children, but I think we are all reflecting about ourselves, too. I thank my hon. Friend the Member for York Central (Rachael Maskell) for making such a powerful point.

Rachael Maskell: I thank my hon. Friend. I, too, am looking forward to going along to those classes.

Jim Fitzpatrick: I have done some research on behalf of the all-party group on deafness, and the Independent Parliamentary Standards Authority will fund classes. I have asked the UK Council on Deafness to identify tutors who would be able to come in. Getting colleagues together is always difficult given our busy diaries, but since the cost of classes is a legitimate expense—as my hon. Friend the Member for Crewe and Nantwich (Laura Smith) described very well, we should learn sign language to better serve our constituents—and the House authorities will help us do that, we should get on with it.

Rachael Maskell: I thank my hon. Friend for making that point. Learning sign language really is life transforming, because people can share so much once they are able to communicate. We know from verbalised languages the difference that makes. British Sign Language is the first language of 70,000 people in Britain. We must always remember that, and ensure that it is accessible.

I have also signed at church. I have to say, it can be a bit nerve-racking to stand at the front and sign, but over time I found it brought real meaning to the words we sung and spoke, so there was a personal benefit as well as a broader one. We now see mainstreaming in the media, with the Oscars and the new film starring Maisie Sly. What a role model she is for young girls and young people on the benefits of sign language.

Why should BSL be on the national curriculum? If we had a signing nation, what a difference there would be. We should think first about baby sign, which is taught in some places. Babies learn to communicate first through signing and gesture before they can verbalise. We could get quicker communication with babies immediately, which would be a real advantage. We also want to ensure that children can grow up in mainstream education without facing barriers. There are links between British Sign Language and Makaton—although they are not the same language, some signs translate—so we could be more inclusive in enabling disabled children to be part of that wider learning community. Children are quick learners, so that is the time to learn a new language.

British Sign Language is difficult, but it is expressive and children will grasp that. It is about integration, not being different, having the same opportunities, having friends, being able to study alongside peers and building an inclusive culture and society. As children grow up, it is about social inclusion and access to jobs, life and relationships. It is about saying, “You are no different from anybody else, and we’re going to take those barriers down.”

It is important that we recognise the qualifications. Why differentiate? GCSE is the standard recognised qualification, so we need to ensure that British Sign Language fits not with the national vocational qualifications, which I have worked my way through, but with GCSEs, putting it back in the mainstream of our education system. We know that hearing loss is a massive issue faced by people later in life. If people had skills to sign, that could open up new means of communication among older people. Perhaps someone who lost their speech because they had had a stroke could sign to continue communication, so ensuring access to BSL could bring real benefits later in life.

In my city, York College and York St John University offer qualifications up to level 3, but they say that, as well as a national shortage of interpreters, there is a

national shortage of tutors. We need to encourage people to see that as a worthy profession and something to go into in the future.

I have a few points to make to the Minister. My first was to ask whether he could organise some BSL sessions in Parliament, but I see that my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) has that in hand. However, some dialogue on that would be of benefit so that the Minister can demonstrate how BSL can provide and open up opportunities for children in school. It would be good to join those agendas together.

Secondly, we also need to shift the agenda here. While I really welcome us having had two interpreters throughout this debate, why not have interpreters for all debates? Why do we bring in inclusion just because we are talking about BSL? Whether we are talking about the economy or foreign affairs, it is relevant to people with hearing impairments. I hope we will see a tangible shift in that agenda.

Thirdly, on qualifications, the Department must now get its skates on and bring about a level playing field to ensure that the qualifications of children who have a hearing impairment in particular—but not exclusively—are seen to be no different from those of their peers, and we must ensure that they can study and pass exams in their first language, not just in their second language.

Finally, what a different kind of society we would have if we put BSL on the national curriculum right through schooling. It is not just about qualifications; it is about cultural change. The Minister has the opportunity to bring that about today.

5.14 pm

Carol Monaghan (Glasgow North West) (SNP): It is a pleasure to serve under your chairmanship, Mr Austin. I pay tribute to Wayne Barrow, whose work has brought the debate to the House. This has been a consensual debate. I sometimes think this place works best when we are all pushing for the same thing, so let us hope there is some movement today as a result.

The hon. Member for Blaydon (Liz Twist) kicked off the debate by paying tribute to Maisie Sly. As the hon. Member for Waveney (Peter Aldous) pointed out, it is almost as if someone had a hand in the debate coming about on the same day as the Oscars win. The hon. Lady spoke on various aspects, and the attainment gap in particular. I, too, speak as a teacher, and it really is important to consider that gap. No child should start education knowing that, in the end, they will have a worse set of results than another child. We need to ensure we are taking steps to combat that.

There is not yet a GCSE in BSL, but, as a result of this debate, I hope there will be. In Scotland, we are developing a Scottish Qualifications Authority qualification in BSL, so there will be certification in Scotland. It seems appropriate and sensible that the same happens for a GCSE in England, especially if the work has already been done.

The hon. Member for Enfield, Southgate (Bambos Charalambous), who is no longer in his place, talked about the difficulties of inclusion and social cohesion when people are excluded from society. That is an important point. The hon. Member for Waveney talked about the range of languages available at GCSE, which probably took many of us by surprise. That hammers home starkly the point that, without a GCSE in BSL,

we are selling short a large group of young people—not just those from the deaf community but other children who may want to pursue a career in that area.

The hon. Member for Kingston upon Hull West and Hessle (Emma Hardy) talked about the educational benefits to all children from learning BSL. I liked the phrase she used about the data obsession in school results. Something rich and valuable is lost in education when all we are interested in is the results at the end. She correctly pointed out that, unless BSL became a GCSE, it would remain low priority.

The hon. Member for York Central (Rachael Maskell) shamed us all with her abilities and demonstrated in a simple way how barriers are created and removed. I liked her suggestion that older people who are suffering from hearing loss could learn sign and BSL as a method of continuing communication with loved ones and in their daily lives.

The hon. Member for Poplar and Limehouse (Jim Fitzpatrick) talked about the work done in Scotland, and I want to say a bit about that. Obviously, the issues faced by deaf people in Scotland are exactly the same. The Scottish Government have a national strategy to make Scotland the best place in the world for deaf people. The British Sign Language (Scotland) Act 2015, which was passed unanimously by the Scottish Parliament, promotes the use of British Sign Language and made provision for the preparation and publication of the British Sign Language national plan for Scotland, which we now have. A good thing about the Bill was the fact that it had cross-party support, and was passed unanimously. Let us hope we can deal with the present issue in the same way.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I am sorry I have not been able to be present for more of this important debate. My mind has been opened by the Cardiff Deaf Centre and by interpreters in my constituency such as Julie Doyle and Tony Evans, and by constituents such as Stuart Parkinson. They have made it clear to me that we need to improve BSL services across the UK. I commend what the Scottish Government have done, and the hon. Lady is probably not aware that Wales has a scheme called BSL Futures, as well as many others. However, we all need to do much more across these islands and to learn from each other how to improve services for deaf people.

Carol Monaghan: In this place we often say, “Look north at what Scotland is doing,” but we can look to Wales as well—and, in this context, to many other places—to see where good work is being done. We need to take that on board.

The British Sign Language (Scotland) Act 2015 requires certain authorities to prepare and publish their own British Sign Language plans in connection with the exercise of their functions. There is potential for the Act to have a positive impact on the lives of people in Scotland whose first or preferred language is BSL. It provides an opportunity to appreciate and celebrate regional variations, including certain Scottish signs. We want that variation to flourish. The more BSL is promoted and celebrated throughout the UK, the more exposure it will receive. Because the Act is Scottish legislation, it follows that all of Scotland’s regional variations will be included and valued, but there is no reason why that could not also happen for regional variations from across the UK.

The Act also paved the way in Scotland for the national plan for British Sign Language—the first of its kind in the UK. The plan aims to ensure that sign language users are

“fully involved in all aspects of daily and public life”

north of the border. As part of the plan, major transport hubs such as train stations and airports will be expected to provide important information in BSL, as they would for any other language. Sign language interpreters will also be made more widely available across Scotland’s public services, making it easier for deaf people to hold senior positions. Sign language has been recognised as an official language in Scotland since 2011.

We hope that more British Sign Language users will be encouraged to become school teachers and share their skills with other people; but we also hope that they will infiltrate into every profession so that people have more access to every aspect of government. The Scottish Government also have a plan for primary schools, called the 1+2 language plan, which requires every child of primary school age to have experience of their native language, whatever it may be, and of two additional languages—it might be French, Mandarin, Scottish Gaelic or BSL. That has had an interesting impact, particularly on some children with learning difficulties or speech and language difficulties. It is often far easier for them to sign than to talk.

The BSL national plan also sets out 70 actions that Ministers will take by 2020 to improve the lives of people who use sign language. That is backed by £1.3 million of public funding. I shall not go through all 70 actions, but I will highlight a couple. Scottish Ministers will be asked to make progress on investigating the level of BSL among teachers and support staff in schools in Scotland and on further developing the Scottish Qualifications Authority award in BSL. Hopefully that will come into being shortly, with, as I have said, the GCSE to follow. Something else on which Ministers will be expected to make progress is enabling parents who use BSL to be fully involved in their child’s education. For parents who are part of the deaf community, situations such as parents evenings and school concerts can be difficult. Progress is also asked for on expanding the teaching of BSL to hearing pupils in schools, and improving the experience of students who use BSL when they move from school to college, university, training or the world of work. Finally, we hope to ensure that every Scottish Government-funded employment and training opportunity is fully accessible to BSL users and that they are properly supported.

I want to end by quoting Dr Terry Riley, the chair of the British Deaf Association:

“The Scottish Government’s National Plan is a brilliant example, for the rest of the United Kingdom to follow.”

We are not gloating about that, or feeling smug. It is only a starting position, and there is a lot more to do. However, I hope that the UK Government can follow suit on some of the key objectives of the plan. Our long-term plan has an ambitious aim: we want to make Scotland the best place in the world for people whose first or preferred language is BSL. That means that deaf and deaf-blind BSL users will be fully involved in daily and public life in Scotland as active, healthy citizens, and will be able to make informed choices about every aspect of their lives.

5.26 pm

Dawn Butler (Brent Central) (Lab): I thank my hon. Friend the Member for Blaydon (Liz Twist) for securing and opening this important debate on BSL. I also thank Wayne Barrow; I have done a music video with him, which was a lot of fun. I look forward to the next one—maybe Wayne, Lizzy and I could do it. That would be really good. This is about bringing BSL to everyone, and putting it in front of everyone.

I thank the shadow education team for allowing me to respond on behalf of Her Majesty's Opposition today because, while the issue is one of equality, it falls within education. BSL is an issue that is close to my heart. I was the first Member of Parliament to sign a question on it in the House.

Learning to sign is an eye-opening experience. I thank the interpreters, who do an amazing job—including the one they are doing here today—and the House authorities for providing a live subtitle feed. We are following in the footsteps of New Zealand and Australia in doing that. I know that it was not a piece of cake, but as with most things, the more we do them, the easier they get. We just need to do these things a lot more in this place, and then they will seem like nothing.

We have heard a lot about the Oscars and the win for “The Silent Child”, about Rachel Shenton delivering her Oscar speech in British Sign Language, and about Libby, the young girl in the film. People say, “What you see, you can be,” and the more we see people communicating by signing, the more we will take that as given and as the right thing to do.

The Labour Government recognised British Sign Language as a language in its own right in 2003. Fifteen years later it is time to take the next steps to equality for users of BSL. It is a little shocking that BSL GCSE is not offered in schools, given what we heard from the hon. Member for Waveney (Peter Aldous) about how many languages are offered at GCSE. Why not BSL? It is a recognised language, after all. We should go further: it should be given legal status.

We have heard from many hon. Members here today—including my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy), speaking as a teacher—about why BSL should be a GCSE, why it should be recognised and why that is important. We have heard that the GCSE model is ready to go and that all it needs is sign-off from the Department for Education. Signature has already done all the work needed; the qualification has been successfully piloted for two years in six schools. That highlights why making BSL a GCSE is so important.

Some people say to me, “Why learn BSL? Why is it an official language?” We have heard my hon. Friends the Members for York Central (Rachael Maskell) and for Poplar and Limehouse (Jim Fitzpatrick) speak about equality. Nobody in this place can be against equality. Everybody argues about equality every single time. Equality is equality; if it matters for one person, it matters for another. Why are we picking and choosing whose equality is more important? Deaf people deserve to have equality, a level playing field and British Sign Language as a recognised language.

The National Deaf Children's Society carried out a comprehensive survey, which clearly showed that young people want to learn BSL. We have to remember that young people get old, whether we like it or not. Sometimes we

do not believe we will ever get old, but young people get old and, as we have heard, thousands of older people lose their hearing. I have spoken to older people who say, “I wish I had learned some signing when I was younger, because then I wouldn't feel so isolated.”

Now is the time. We have heard about lots of movements that are happening; now is the time for us to remove structural barriers in society. We need to ensure that more people are taught BSL. That will remove a structural barrier for deaf people and not only help them to reach their full potential, but help their mental health. A lot of deaf people suffer from mental health issues. A lot of people are trapped in a world of silence. When my hon. Friend the Member for York Central signed the beginning of her speech, there was complete silence in this room. I ask hon. Members to imagine that their whole lives were lived in that silence, everywhere they went, and that they could not communicate with anybody. That is the difference that learning sign language makes to people who are deaf.

Approximately one in six people suffers from a hearing loss. That is a lot of people in our country. I will speak briefly about why I learned BSL. The first time I spent a lot of time with deaf people was when I was at college, where there were two people who were deaf. I learned my name, and I learned to say hello and other little bits. Like my hon. Friend, I always wondered who was the person who could bring down the barrier: the person who cannot speak or the person who cannot sign? I realised it was me, who could not sign.

When I started working, there was a deaf person at work. I decided to go to evening classes to learn to sign. I went for two, or maybe three, years to learn how to sign. I am rusty now, because it was a long time ago, but I learned how to sign. I made a great friend at work. We signed, and we got ourselves in a lot of trouble, but it was a lot of fun. We talked about people, and they never knew about it, which would probably be quite a useful tool in Parliament.

BSL opens doors for people. It opened doors for me; I made new friends, and I make new friends wherever I go now. That could be in the supermarket, or on the buses or the trains, when an announcement is made and people do not know what is going on, but someone is able to sign—even if it is just a little bit, or it is just finger-spelling—what is going on. A hearing person can learn to bridge that gap with a deaf person, and that is important.

As I said, now is the time to remove the structural barriers. The Labour party has said that if we were in government, we would have a national plan for England. We would have a BSL Act, a consultation and a debate to ensure that we take up all the good practice happening in Scotland, Wales and elsewhere. Many other countries around the world have implemented an Act. I am not asking the Minister to go as far as the Labour party today—BSL has a lovely sign for the Labour party—but when he rises to his feet, I would like him to reflect on the fact that the Department for Work and Pensions has reported and highlighted a shortage of signing interpreters, resulting in higher costs for things such as Access to Work. We need more Access to Work, not less; we need to invest in it so that deaf people can reach their full potential. We need to invest, and the way to do that is to show commitment. I hope that when the Minister gets to his feet he will have some good news for the deaf community and BSL users. I ask him to please make BSL a GCSE.

5.36 pm

The Minister for School Standards (Nick Gibb): It is a pleasure to serve under your chairmanship, Mr Austin. I congratulate the hon. Member for Blaydon (Liz Twist) on securing this debate and on a powerful opening speech, and I add my congratulations to both the filmmakers and Maisie Sly on their work and their success at the Oscars last night with their film, “The Silent Child”. Although I have not yet seen the film, it raises important questions about the isolation that can arise from being born deaf in a hearing world, and highlights the difference that can be brought about by learning to communicate effectively.

The Government have recognised British Sign Language as a language in its own right since 2003. British Sign Language is a vital method of communication for many people and the first or preferred language for an estimated 70,000 deaf people in the United Kingdom. Of course, many hearing people—such as the hon. Members for Brent Central (Dawn Butler) and for York Central (Rachael Maskell)—choose to learn BSL in order to communicate more effectively with hearing-impaired people in everyday life. I very much enjoyed the speech by the hon. Member for York Central.

The Government understand, as I do, the passion that many organisations and individuals have for including BSL in the national curriculum. The reformed national curriculum, introduced in 2014, places a much greater focus on the core academic knowledge that pupils need for success in an ever more globalised world. That core body of knowledge is not expected to change significantly over time, but the national curriculum is just one element in the wide-ranging education of every child that makes up the broader school curriculum.

When we reformed the national curriculum, our expert panel made a clear distinction between the national curriculum and the school curriculum. We wanted the national curriculum to be kept within a certain size, to enable schools to develop a broader school curriculum. There is enough time and space in the school day, in each week, term and year, to expand beyond the specifications found in the national curriculum.

We are unapologetically ambitious for every child, no matter what their background, prior attainment or educational needs. The best possible education for adult life in modern Britain is one that equips children and young people with the knowledge they need to succeed. Our reforms have led to the attainment gap between children from disadvantaged backgrounds and their more advantaged peers closing by an astonishing 10% since 2011.

To do that, we ensured that the national curriculum was rigorous. We looked at curriculum design in the most successful education jurisdictions across the globe and benchmarked what our children are expected to learn at different stages. While setting stretching expectations for the knowledge and skills that each child should be taught, we have given teachers more professional freedom to choose how to teach that material and how to assess it in the classroom. We will continue to increase support for teachers to deliver this stretching curriculum effectively, including by encouraging the greater use of evidence-based teaching methods to raise standards and cut unnecessary workload.

We have a responsibility to ensure that we support teachers, reduce workload and allow our reforms to bed in and take effect. Making changes to the curriculum

causes increased workload for teachers, and now that we have a high-quality curriculum, with stretching and rigorous assessments to match, we want to minimise further change. The Department’s programme of work on teacher workload aims to enable teachers to focus on teaching and their own professional development.

While we believe that BSL is an important and worthwhile area of study, we do not have plans to change the national curriculum for schools to make teaching BSL mandatory for maintained schools—particularly as two thirds of secondary schools now have academy status and are not obliged to follow any part of the national curriculum, whether we revise it or not. Schools may choose to offer BSL as part of their wider school curriculum, or as part of a varied programme of extra-curricular activities. Some may also offer accredited BSL qualifications to support pupils’ achievements in the language.

For people who wish to develop their ability to communicate effectively with those with a hearing impairment in everyday situations, level 1 and 2 qualifications, which already exist, have the greatest take-up. The level 1 and 2 qualifications currently offered by the Institute of British Sign Language, Signature and ABC Awards enable people to engage in routine conversations about real life and daily experiences and to develop a wider grasp of grammar to deal with non-routine exchanges. For those who wish, there are opportunities to develop practices in BSL further into level 3 and 4, and even level 6, which is equivalent to a degree. Individuals who take those qualifications might wish to enter a career working professionally with deaf people, such as in interpreting or teaching.

Laura Smith: I am quite upset about the tone of the Minister’s message, after a debate in which we thought we were getting a bit of movement. As a former teacher, I put on the record that I completely disagree with his statements regarding teachers feeling supported at the present time. I think it is very sad—I saw people in the Public Gallery shaking their heads—that the Government are once again prioritising exams and results in the curriculum, rather than inclusion and providing a diverse curriculum that benefits our entire society. That is a shame.

Nick Gibb: The hon. Lady interrupted my speech before I had concluded my arguments; she should hold on and be patient a little longer.

This week, we celebrate National Apprenticeship Week, which celebrates the success of apprenticeships across England. BSL is now an alternative to a level 1 and level 2 qualification in English when undertaking an apprenticeship, providing the opportunity for apprentices to achieve a qualification in their primary language. That enables those who use BSL to complete their apprenticeship without having to achieve another English qualification, such as a GCSE or functional skills qualification.

My hon. Friend the Member for Waveney (Peter Aldous) referred to GCSEs in Urdu and other community languages, and the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) referred to teaching Russian and Japanese. Hon. Members will be aware that we had a very real struggle with the awarding organisations—the exam boards—to ensure that those small-cohort GCSEs continued. Ultimately, we are dependent on the exam boards accredited by Ofqual to offer GCSEs being willing to offer any further GCSEs.

Jim Fitzpatrick: Before the Minister moves on from his answer to my hon. Friend the Member for Crewe and Nantwich (Laura Smith), will he give further clarification? Will he refer later to the point that has been raised by a number of colleagues, which is that the Department for Education has already piloted a BSL GCSE that is ready to go? Why is the Department not in a position, not able or not willing to validate that for schools that want to teach the qualification in such a way rather than at NVQ level?

Nick Gibb: The hon. Gentleman pre-empted what I was about to say. He makes an important point and I will address it. Hon. Members should be aware that, of the four GCSE exam boards operating in this country, OCR, one of the major ones, recently stopped providing any language GCSEs at all, including French, Spanish and German, which are not small-cohort GCSEs. The hon. Gentleman mentions the GCSE that has been prepared by the awarding organisation Signature. We have seen that draft specification, and it has been tested in some schools. However, an established and rigorous process is in place to accredit GCSEs, and the specification has not been through that process.

A number of further steps are required to develop the specification into a GCSE, including developing broad and deep subject content by working with subject experts. It would also need to meet Ofqual's assessment criteria and be accredited by Ofqual. Signature, were it to be the awarding organisation that offered the qualification, would need to be accredited by Ofqual as a GCSE-awarding organisation and be subject to its regulatory oversight. It is not a simple process of saying the qualification is already done and dusted and ready to run. A huge number of steps have to be gone through.

I presided over the reforms to GCSEs since 2010. The new GCSEs in English and maths were ready for first teaching in September 2015, and the next set were ready for first teaching in 2016, with exams in June 2018. These GCSE reform and accreditation processes take a long time. The accreditation is not a simple thing to acquire from Ofqual, which often sends the specifications back for further drafting before it is prepared to accredit them.

Jim Fitzpatrick: I am grateful to the Minister for that further clarification. Given the hoops that have to be jumped through to actually get to a position in which a GCSE will be available, is the Department in a position to say that it supports the additional efforts to get to that point, or is it not the Department's role to encourage that? Where do we go from here to actually get to a position whereby there will be a BSL GCSE validated by the Department that can be taught and examined in schools?

Nick Gibb: We have been clear that we want schools to have a period of stability, so we have said that there are to be no new GCSEs or A-levels for a period of time. That is not to say that in the longer term we will not consider new subjects for GCSEs. However, it is important, after the hugely extensive reforms to GCSEs and A-levels, that schools have a period of stability. I have a responsibility to schools to enable them to have that period of stability, which they have asked us for.

Emma Hardy: Does the Minister agree that what we examine shows what we value as a society? What the Minister values is clear to anybody who wishes to read

it in the changes he introduced to GCSEs. What message does it send out to people if we will not even consider having BSL as a GCSE? What does that say about what we value as a society?

Nick Gibb: I would argue that not everything that is taught in schools needs to be a GCSE. We allow plenty of valuable qualifications to be taught in schools under the section 96 list that have valuable subject content but are not sufficiently broad to qualify as a GCSE. However, we none the less encourage their teaching in our schools. As I have said, we value BSL as a subject, and we encourage schools that wish to do so to teach it. Schools are permitted to teach a number of qualifications at levels 1, 2, 3 and 4.

Rachael Maskell: I am really struggling. For the Minister and myself, English is our first language, and we have the right to sit a qualification at GCSE level in our first language. BSL could be the first language of the hearing impaired, yet we deny those people that opportunity, so a real inequality has therefore been built into the system. This is not about adding another subject to the curriculum but attaining equality for people who are hearing impaired.

Nick Gibb: As I said, we value BSL. However, a huge number of steps would have to be gone through for the BSL qualification to be accredited as a GCSE. Having been through it, I can say that it is not a simple process to get qualifications accredited. There are existing level 2 qualifications; GCSEs are level 2. There are existing BSL qualifications of high quality available that can be taught in schools. BSL is not a GCSE subject, but as I said, many subjects taught in schools are not GCSE subjects and none the less are valued by schools and by those who take the qualifications.

We recognise that some who wish to take a qualification in BSL will do so to communicate with a family member or friend. Indeed, many of those in most need are hearing parents of deaf children. We understand that early access to language is essential to help children to learn and thrive and it is vital that families have the support that they need to communicate with their children. The Department has provided funding for the development of a support guide to help parents of deaf children. Families or carers may also be eligible for support to learn sign language. The Department has provided funding for the I-Sign project to develop a family sign language programme, which is available online.

We believe that all young people should be helped to achieve their potential, regardless of their background or circumstances. More than 21,000 children with a hearing impairment are supported at school. We are proud that 93% of hearing-impaired children are supported to attend a mainstream school. Pupils who use sign language are generally provided with support at school through specialist teaching assistants and specialist teachers of the deaf. However, we do not prescribe how schools should support pupils with a hearing impairment.

We have made it clear in the special educational needs and disability code of practice that all schools must use their best endeavours to make suitable provision available for all children of school age with special educational needs or disabilities. The reasonable adjustments duty for schools and local authorities includes a duty to provide supporting aids and services for disabled pupils.

That could include things such as radio aids or communication support workers. In addition, the local authority can support parents and children in developing the knowledge that they need to communicate effectively.

When the time comes for pupils to take examinations, schools and colleges are responsible for ensuring that reasonable adjustments are made to make exams more accessible for pupils. Common arrangements include extra time and the use of scribes and readers and of word processors. More deaf children than ever are leaving school with good GCSEs, and we want them to continue to aspire to reach their full potential. Statistics show that attainment in English and maths for that group has been improving in recent years. The proportion of children with a hearing impairment achieving a standard pass—at grade 4 or above—in English and maths GCSE has increased by 6 percentage points compared with passes at C or above in 2011. We are very proud of that improvement.

Laura Smith: I am not interrupting; I just want to make a point to the Minister. It is wonderful that deaf people and deaf children are exceeding what has been achieved previously and doing well in terms of their attainment, but these are not equal opportunities. Surely it is the Government's responsibility to deliver equal opportunities for all children and all people in our society. I just do not feel that the Government are taking responsibility for this issue. We have heard that it is a matter for teachers and schools and can be a matter for local government. What about the Government?

Nick Gibb: I have explained the position as regards a GCSE. As I said, two thirds of schools have academy status, which means that they are not obliged to follow the national curriculum. That trend is increasing—the number of schools acquiring academy status increases every month—and, as I said, such schools are not obliged to follow the national curriculum.

I have also set out the very real practical issues. Any new GCSE has to go through an accreditation process. It has to be provided by an awarding organisation that is itself accredited as a GCSE provider. As I pointed out, we have had a real struggle with the awarding organisations on providing language GCSEs, particularly in the community languages. We had a huge battle with them and ended up having to move a whole raft of community language GCSEs from OCR to the other awarding organisations. Ultimately, we can only provide GCSEs that the exam boards, which are independent, wish to provide. As I said, a draft specification has been provided by Signature, but it would have to go through the process of having the GCSE accredited by Ofqual and would itself have to be accredited by Ofqual as a GCSE provider. Those are the issues confronting any Minister in the Department for Education as regards new GCSEs, because the system in the legislation passed in the House to ensure that we offer GCSEs that are on a par with one another and hold their standard over time has led to our deciding to have a very powerful regulator, which is absolutely right to ensure that we maintain standards. That process has to be gone through by anyone who wishes to introduce a new GCSE.

In addition, we want schools to have a period of stability. This is not the only request for a new GCSE; there are requests for others. Schools have asked for a

period of stability. There will be stability for a short period, and after that we can consider whether new GCSEs or A-levels can be introduced.

Emma Hardy: I accept that not all schools have to teach the national curriculum, but what exists is not actually a national curriculum; it is an examination curriculum. The school curriculum is built around the examinations that children take. I am sorry, but I disagree with the point that there is a wider school curriculum. There is not. Schools long for there to be a wider school curriculum, but the reforms made by this Government have squeezed things out and narrowed it down very tightly to being based solely on examinations. If we do not give British Sign Language an examination, it just will not be counted and will not be taught.

Nick Gibb: There are examinations in BSL, produced by Signature and ABC, that are for level 1 or 2 qualifications. Exams exist in BSL. The qualifications are on the section 96 list and can be taught in schools, so they do exist.

I do not accept the caricature of our school system described by the hon. Member for Kingston upon Hull West and Hessle (Emma Hardy). The school curriculum is very wide. The most successful schools in the state sector have a very wide curriculum and they offer plenty of sport, music and art as part of that. Art and music are compulsory to the end of key stage 3, and the schools that are most successful academically, in the exams that the hon. Lady dismisses, are the schools that also have a very broad and balanced curriculum beyond GCSE.

We made it very clear in our reforms to the national curriculum that there was to be a distinction between the national curriculum, which focuses on the core academic subjects, and the school curriculum, which goes beyond those subjects and includes sport and a whole raft of artistic and other subjects, which are hugely important. I am referring to subjects such as sex and relationships education, PSHE—personal, social, health and economic education—and citizenship and so on, which are hugely important in developing a rounded person.

Rachael Maskell: I am struggling to understand why the Minister cannot ask an awarding body to go away and do the work to ensure that a GCSE in British Sign Language can come on stream and then be integrated in the school system, by which time the schools will clearly have had their period of stability and then will be able to teach BSL as part of their core curriculum.

Nick Gibb: I am always very happy to have meetings and discussions on these issues. I continue to have discussions with people who want to introduce a whole raft of new subject content into our schools, and I am very happy to be having a meeting next week with my hon. Friend the Member for Waveney to discuss this very issue, so we always keep these issues under review. Today I have set out the real challenges facing the school system in this country and I have put on the record in an open and transparent way where we are on the issue of new GCSEs coming into our system. That is what I have sought to do today, and on that basis I conclude my remarks.

5.59 pm

Liz Twist: I thank all hon. Members who made contributions to the debate. Most of it was fairly upbeat. It is a shame about the ending, but I will come on to that.

I thank the hon. Member for Waveney (Peter Aldous) for his support for the cause. I also thank my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick), who chairs the all-party parliamentary group on deafness; my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy); and my hon. Friend the Member for York Central (Rachael Maskell), who so powerfully reminded us that it is we who are erecting barriers, not people who have hearing difficulties or deafness, which is an important point to remember. I thank the hon. Member for Glasgow North West (Carol Monaghan) for her contribution and my hon. Friend the Member for Brent Central (Dawn Butler). Some really interesting and exciting points were made, all of them supporting the need for us to be more inclusive and to reach out and include young people with deafness, about whom we are talking today.

Then we come to the Minister's comments. I have to say that I was really disappointed. I asked the Minister to go further than he had in his written response. I am disappointed that we have not been able to go further today. I heard all the reasons he gave, but we need a can-do approach. We have a problem and we need to find a way around it, so that all our young people can take part not only in school activities, but in life in the wider community, through the development of a BSL GCSE and the inclusion of BSL as a curriculum subject. I remain convinced, having been a governor in a number of schools, that it is really difficult to find time to teach BSL, although it is allowed. I look forward to his further discussions with the APPG.

I hope that there will be a change in the future to include BSL in the national curriculum and to recognise a GCSE qualification. I do not think that Wayne and his mates, Erin and other young people are going away. I think we will hear much more about this issue in the next few days. I am reminded that next week is Sign Language Week. I think there will be a lot going around among the Twitterati and the public about this, so watch out for a lot more questions from the public, as well as from hon. Members, on this issue.

To finish, I remind everyone that although we have spent a lot of time talking about the national curriculum and GCSEs, this is all about allowing deaf young people to be included in activities and school life, and to just have some fun, like Wayne and his mates do. I thank hon. Members and I am sure we will come back to this issue.

Ian Austin (in the Chair): Before Members leave, I want to formally thank the interpreters who have been translating this debate into BSL, the people who have been organising the live simultaneous interpretation on television, and the Officers of the House who have made all of this possible.

Question put and agreed to.

Resolved,

That this House has considered e-petition 200000 relating to British Sign Language being part of the national curriculum.

6.3 pm

Sitting suspended.

Car Insurance

[PHILIP DAVIES *in the Chair*]

6.5 pm

Susan Elan Jones (Clwyd South) (Lab): I beg to move,

That this House has considered e-petition 207616 relating to changes to car insurance.

It is a great pleasure to serve under your chairmanship, Mr Davies.

The petition asks for insurance to be based on the car itself, instead of on the individuals who drive it. The petition reads:

"In some countries, such as America and Portugal, insurance is based on vehicle itself instead of being based on the individual who drives it. This is an effective method for families and friends as they are able to share a car without paying for multiple insurances."

The petition then gives as an example the following scenario:

"3 friends go on a night out in the same car, they all have driving licenses, but only one of them is insured on the car. 2 of them are under the influence of alcohol and incapable of driving, including the car owner. If the car was insured on itself, the sober friend could drive it legally. However, because each individual is insured on the car, no one would be able to drive it as it would be illegal."

As of this morning, 56,200 people had signed the petition. On behalf of the House of Commons Petitions Committee, I thank Rita Rocha Vidrigo, the creator of the petition, and all of its signatories. Observers of the work of the Petitions Committee—I hope there are many around—will note that that falls short of the 100,000-plus signatories that many of the petitions that our Committee schedules for debate receive. However, the number of signatories to this petition is still significant, especially as it proposes quite a specialist solution to a range of problems relating to car insurance. There are certainly enough issues relating to car insurance.

The issue raised specifically in the petition is the cost of car insurance, but there is also the related issue of drivers who drive while uninsured. I believe that the petition provides a serious attempt to deal with that critical issue—a problem that is a nightmare to all who have ever been in an accident involving an uninsured driver.

The Government have responded to the petition, with the Department for Transport stating:

"The Government has no plans to change the motor insurance system to require vehicles themselves, rather than the use of a vehicle, to be insured."

The Government are pretty trenchant in their response—in fact, very trenchant:

"There are a variety of approaches to motor insurance taken around the world, and the UK Government is not alone in requiring the use of a vehicle to be insured."

The current motor insurance system of insuring individual drivers, rather than cars, does not prevent named drivers from being added to an insurance policy for shorter or longer periods of time. This allows for friends or relatives who share a car to be included on one insurance policy.

The price of insurance depends on a range of factors, including many which are specific to the person driving; for example, driving history (whether the driver has had previous claims or unspent convictions for drink driving, for example), the use they make of the vehicle (for example, for commuting or business use), and their years of driving experience.

If insurers had to cover the vehicle itself and were not able to take driver-specific factors into account in their pricing, then the cost of insurance would likely rise for those with a good driving record and history of driving safely.”

That is the Government’s response, which I hope we will hear the Minister develop later.

That all gives rise to the question: how much further in-depth consideration should we grant the petition? To my mind, there are three key issues in respect of motor vehicles and insurance. First, how does the proposal impact on the cost to the consumer purchasing the insurance? Secondly, does it help people in the unfortunate situation of being injured by another party? That relates specifically to individuals driving without insurance. While the guilty party may be punished through the law, that rarely helps the innocent party with their car repair costs. Finally, and vitally, does the policy help or hinder road safety? I will not go through those questions in sequence in this debate, but they are worthy of our consideration.

To move on to evidence-based research, the Association of British Insurers found that on average, young drivers spend about 10% of their salaries on insuring their cars. It is therefore clear that action needs to be taken to stem rising motor insurance premiums. Analysis by the Association of British Insurers shows that drivers aged between 18 and 21 are paying an average of £973 for comprehensive car cover. Rising motor insurance bills, resulting from a range of factors including the way in which compensation payouts are calculated and a resurgence in whiplash-style claims, are hitting younger drivers hardest.

There have been many concerns about the car insurance industry, and the integrity of the market has been questioned. As a result of complaints about the sector, the Competition Commission investigated and concluded in 2013 that there were

“features of the UK market for motor insurance and related goods or services that, either alone or in combination, prevent, restrict or distort competition such that there are adverse effects on competition.”

A research paper by the House of Commons Library about the motor insurance industry notes that many people consider the UK car insurance market to be dysfunctional. The paper cites the unpredictable rise and fall of insurance premiums. The research also references the relationship between the industry and car hire, repair and legal claims firms, which some view with suspicion.

I understand the frustration of the petitioner and the many signatories at high car insurance premiums and what could be viewed as the inflexibility of the UK insurance market. A different system—one that means that if a car is insured, anyone with a valid driving licence can drive it—certainly seems to offer one solution to the UK’s sometimes complicated and expensive system, but let me consider that further.

The cost of insuring a car is calculated using a variety of factors. Driver-specific factors include the driver’s age and experience, their road safety history, where they use and keep the car, and how often they use it. Since December 2012, car insurance companies can no longer discriminate on the basis of gender. Factors that depend on the car itself include its power and value. Insurance companies seek to set premium rates such that total premium income at least matches the total amount paid

out in claims. Under that system, the people deemed the least likely to have an accident and to claim on their insurance pay the least, while those considered at greatest risk of making an insurance claim pay the highest premiums.

If insurance followed the car, rather than the driver, key driver-specific factors used to calculate risks could not be used. That could mean that drivers with a history of driving safely would have to pay higher premiums. That would be likely, as insurance companies would be unable to recover the costs of paying out claims by charging the drivers at greatest risk. It could give rise to an unfair and expensive system that would not reward safe drivers at all.

The petition states that if insurance was on the car alone and was not driver-specific, friends and family would be able to share a car

“without paying for multiple insurances.”

In reality, is that not de facto the case under the current motor insurance system? Named drivers can be added to insurance policies, allowing more than one person to be insured to drive the same car. The main driver uses the car most frequently, while named drivers use it less—none the less, they can use it frequently. That great oracle beloved of so many, the price comparison website MoneySuperMarket.com, has research showing that 35% of young drivers who are the main driver on their own insurance have a named driver on their insurance, thereby making their premiums up to 13% cheaper.

Car hire firms work on the basis that a car is insured such that anyone can use it. Many business fleets are insured on a similar basis. However, in both cases there will be a variety of restrictions. Hire cars are often only available to those over 25. While fleet operators have extensive bargaining power, there will still be restrictions: the person driving a business car will, for instance, usually have to be over a certain age and an employee of the firm.

Under some fully comprehensive driving insurance policies, one’s own insurance means that it is possible to drive someone else’s car—with their permission, naturally. However, restrictions are often placed on that type of benefit. When driving a car that is not one’s own, cover is often on a third-party basis, so insurance will pay only for damage to other vehicles or property. Another possible type of insurance is for temporary cover on another person’s vehicle.

The petition cites the USA and Portugal as countries with a motor insurance system that requires insurance only of the car and not the driver. Such a principle is out there, and it is good to examine, and sometimes to copy, effective working practices from other countries. I certainly believe that that is worth doing here; however, I strike a note of caution, because on closer inspection the motor insurance model in both those countries is more complicated than it first appears.

In the United States of America, liability insurance follows the driver and covers them when they drive a vehicle other than their own. All states apart from New Hampshire require at least liability insurance. Comprehensive and collision auto insurance are tied to the vehicle; however, if someone other than the insured drives a vehicle covered by comprehensive insurance and is not listed as a covered driver, they may not be covered in an accident.

[Susan Elan Jones]

In Portugal, the vehicle and not the individual is insured; however, vehicles are generally insured to be driven by specific categories of driver. For example, if a car were insured for a category of drivers aged over 45, a sober driver aged under 45 would not be eligible to drive it. In Portugal, it is possible to insure a car with comprehensive cover for any driver. In practice, however, the driver often has to be over 30. Research from the Library suggests that comprehensive cover can be harder to get in Portugal than in the UK.

Driving without insurance in the UK is illegal—and quite right, too. Even if our model of insurance changed, I have no doubt that driving without insurance would remain illegal. The police can give a fixed penalty of £300 and six penalty points to someone caught driving a vehicle that they are not insured to drive. If the case goes to court, the uninsured driver can be made to pay an unlimited fine and be disqualified from driving.

The police also have the power to seize and, in some cases, destroy the vehicle that is being driven uninsured. There is a strong case for that practice. It encourages safe driving and compensates innocent parties for any injuries or damage to their vehicles or property as a result of a motor accident.

Although I extol some aspects of the current system, the Government need to take action to deal with rapidly rising premiums. We are not short of journalists and researchers who have made that point. In 2015, James Delingpole of *The Spectator* expressed it thus:

“The car insurance industry is a disgusting racket. It’s designed so that as many industries as possible can get their snouts in the trough.”

That may be hyperbole, but there is a definite need for cartel-like issues—or at least, the perception of cartel-like issues—to be examined. Reform of the motor insurance sector is necessary. I have little doubt that high insurance premiums and the perceived unfairness of the sector are leading to demand for change.

The petition does not provide a silver-bullet solution, although it is worthy of discussion and contains some interesting ideas. However, even if the petition’s answer is not the very best on offer, the Government should look seriously at it and other suggestions, including introducing graduated driving licences, freezing the rate of insurance premium tax and implementing planned reforms to the way in which lower-value, whiplash-style claims are handled. It is abundantly clear that the status quo on motor insurance premiums is not an option, and on that the Government must act. I thank the petitioners for bringing the issue to this Chamber today.

6.23 pm

Jenny Chapman (Darlington) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies, and to follow my hon. Friend the Member for Clwyd South (Susan Elan Jones). She did a good job of introducing the debate on behalf of the Petitions Committee. I will pick up on one of the issues she mentioned: graduated driving licences.

This petition is about trying to get the cost of insurance down. I am sure that we all support that, particularly for young people. The cost of their insurance is around £950 a year on average, which is prohibitively expensive for many of them. We all want young people to have the

freedom and confidence to be able to drive and to develop their driving skills after they have passed their test, but the cost makes that difficult for many of them.

Young people’s insurance is so expensive because they are involved in many of the accidents that happen on our roads. People under the age of 24 drive about 5% of the miles driven in this country, but they are involved in 18% of accidents. In many ways, I can understand why young drivers bear the heaviest burden of insurance costs.

The issue came to my attention after the death of the son of two constituents. They do not want to be named or to receive lots of attention. They are working through their grief privately, and they wish to continue to do that. I will say a bit about what happened, which I do not think will identify them. Their adult son was killed by a learner driver in extremely bad weather conditions shortly before he was going to become a father for the first time. They have worked through a legal process but, as hon. Members can imagine, many lives have been devastated by this event.

My constituents raised the possibility of introducing a graduated driving licence system in the UK—something that has been raised with Ministers previously. Indeed, I raised it at Prime Minister’s questions a few weeks ago, and the Prime Minister gave a very positive response and offered to look into it. As the Minister is present, I will take the opportunity to go into further detail about why the Government ought to explore it.

Places that have a graduated driving licence include New Zealand, some parts of the United States, and Northern Ireland, where the system was recently introduced. The system supports novice drivers, who are young drivers who have recently passed their test, rather than all drivers under 24. In the UK, a 17-year-old can be fully licensed in just a few months, and 89% of young drivers complete less than 40 hours of tuition before taking their test.

A graduated licence could include different measures to ensure that drivers gain more experience before they can drive on any roads in any circumstances with any passengers. I am not being particularly prescriptive about which of the possible graduated licensing measures are appropriate for this country, but I think the Government ought to look at the system in principle. It would not necessarily be right to adopt what has been done in Canada and replicate it here; the system needs to be appropriate for the way that we drive and for our custom and practice.

There could be a learner stage, as we have now, but with a minimum learning period. That would mean that an amount of experience would have to be gained and a number of hours would have to be completed before somebody took their test. Some of that ought to be under the supervision of a qualified instructor, to ensure that there is some quality of instruction—not just instruction that is sufficient to get a driver through a test, but some in-depth learning under a qualified instructor.

I appreciate that learner drivers go out, perhaps with their parents, who may not be qualified instructors, to get some experience of driving, and that is entirely appropriate. However, the accompanying person ought to be over the age of 25 to ensure that they have greater experience. It does not sound very safe for someone who has recently taken their test and who has virtually

no experience to take somebody out to get some experience of driving. As the mother of two teenage sons who will shortly, no doubt, want to learn to drive, the whole idea fills me with an enormous amount of dread.

After someone has taken their test, there could be a novice driver stage, which we do not have at the moment, in which they could drive unsupervised. We would have to discuss or consult on whether restrictions should be imposed at that stage. Ought there to be restrictions on carrying passengers younger than 25, unless the driver is a young parent? Obviously we would not want to place that restriction on a 24-year-old parent who has taken their driving test because they need to take their child to school. I suspect that somebody driving a young child around would be incredibly careful and mindful of what they were doing.

We ought also to consider time restrictions, because many accidents that involve young drivers take place between 11 pm and 6 am. We ought to find some way of limiting young drivers to daylight hours during their novice period, for their benefit and for their parents' peace of mind—unless, of course, they want to get to work or college.

Perhaps a zero-alcohol policy should be imposed on young drivers so that they can benefit from clarity. I am sure the Government have considered such a policy for all drivers, but the data shows that alcohol is an especially significant risk factor for young drivers. We could also consider restricting engine size, or introducing an additional driving test after a certain period to ensure that new drivers have reached the desired standard, that they can drive as we all do and that they would benefit from complete freedom.

There has been much campaigning on the subject in recent years. It has been estimated that more than 400 deaths or serious injuries each year could be prevented by introducing a graduated licensing approach. Public support seems to be growing: a survey by the RAC Foundation found that two thirds of adults and 41% of young drivers would support the introduction of a graduated driving licence, 84% are in favour of a minimum learning period, 70% support a zero-tolerance alcohol policy, and 90% support mandatory lessons on motorways and in difficult conditions for all learners.

Nothing can bring my constituents' son back. The young learner driver who was responsible will have it on their conscience for the rest of their life, and it must have been a horrific experience for them and for their driving instructor. My constituents make a good argument that, under a more sensible licensing system, the learner driver would not have been out in such horrendous conditions and the accident might not have happened. Where possible, I am very careful to walk instead of taking the car out when the weather is very bad, as it has been in north-east England over the past week. Even people with a great deal of experience think twice about driving in such conditions. We need learner drivers to experience all weather conditions and types of road, and to be able to drive in the dark, fog and rain, but it needs to be taught in stages. Confidence and the ability to react quickly, look around, notice and anticipate what will happen can be learned only by experience.

How seriously are the Government thinking about acting on the issue? Are they prepared to enter into discussions and consultations with interested parties about changing our system and introducing a graduated licensing system?

6.34 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): It is a pleasure to serve under your chairmanship, Mr Davies.

I congratulate the hon. Member for Clwyd South (Susan Elan Jones) on introducing the debate on behalf of the Petitions Committee in her characteristically balanced and thoughtful style. She presented it very well. I particularly liked the way in which she highlighted how the petition's suggestion of insuring cars rather than drivers might help to limit the number of uninsured drivers on the road. In my experience, a lot of the uninsured drivers who cause problems tend to be uninsured for reasons other than cost—they may have lost their licences for various offences, or they may be serial offenders—so insuring cars might not completely eradicate the problem, but it is certainly worth considering.

I also liked the way in which the hon. Lady highlighted the key issues that should be considered before changing insurance legislation, including cost, personal injury, the possibility of helping the innocent to achieve justice, and overall safety—an issue that the hon. Member for Darlington (Jenny Chapman) picked up on when she spoke about graduated licences.

The hon. Member for Clwyd South also highlighted the possible dysfunction in the market. There is no doubt that many people are cynical about how the insurance market operates, so it is always good to shine a light on it and have transparency. She mentioned insurance premium tax, which was increased a couple of years ago in yet another Budget whammy. The cost of insurance for young drivers is a major issue. The hon. Lady asked the Minister to consider freezing insurance premium tax; I would like the Government to go further and consider introducing age restrictions on it. The cost of insurance for young people is so prohibitive that the extra 10% or 12% on top of their already big premiums is a real hit.

The hon. Member for Darlington mentioned insurance premiums and then raised a matter that was perhaps a bit off topic but that is clearly very important, because she is supporting her constituents in a case that has been really harrowing for them. I certainly understand the arguments for a graduated driving licence scheme and I look forward to the Minister's response. The hon. Lady's teenage sons might not appreciate such a scheme, and nor might many other young people, but in the light of the wider consequences for safety, we have to consider the matter seriously. I commend her for raising it.

It is clear that the issue is not as simplistic as car-only versus driver-only insurance, as the petition suggests. The United States system imposes liability insurance requirements on drivers, and many US car insurance policies include restrictions, although they may be as simple as a requirement for a manual driving licence—many cars in the States are automatic and many people have automatic-only licences. The Association of British Insurers lists other considerations relevant to a change in the UK insurance market system, such as experience with particular types of vehicle or age profile. Many car-only insurance policies include restrictions on the age and experience of drivers. It is not quite as simple as someone insuring a car and then all their friends and family being fully insured to drive it.

The petition is loosely based on the situation in Portugal, but as the hon. Member for Clwyd South correctly highlighted, the market in Portugal is not

[Alan Brown]

straightforward either. I know from experience that in the United Kingdom it is possible, even under the current market set-up, to insure a car such that drivers other than the named driver are fully insured to drive it. My dad's car has been insured for many years to cover any valid driver who has his permission to drive it and who holds the necessary licence, although I believe there are some restrictions relating to penalty points and minimum age, so it is clearly possible to get car insurance that includes the flexibility for friends and family to drive.

I, too, have a teenage son, so I can certainly see the arguments and attractions of a car-only insurance premium, which might make driving less cost-prohibitive for young drivers. Certainly my 18-year-old son, Dylan, advocates such a system, because he thinks it will magically reduce his premiums. Clearly, however, it could reduce premiums for him only if we all pay a much higher share ourselves, so again there would be winners and losers, although it might make the market slightly easier for young drivers to enter into.

As the hon. Member for Clwyd South highlighted, this petition has a decent number of signatures—56,000. Last week, when I first got notification of the debate, I think it had 45,000 signatures, so there has been a considerable increase in the past week or so, which I imagine must be due to the interest generated by this debate. At the least, this debate is highlighting an issue for more people to think about.

Only eight of my constituents have signed the petition, so it is fair to say that it has not really caught the imagination of my constituents, or of others; perhaps that is why the Chamber is not quite as busy as it might be for some other petition-led debates. Of course, that does not invalidate the legitimacy of bringing forward the debate and allowing Members of Parliament to consider the issue, and to challenge the Government to consider the possible change that has been highlighted in the debate.

The scenario given in the petition is that a group of friends goes out drinking, and the driver who is responsible for the vehicle gets drunk and cannot drive it. If the car was insured through a car insurance policy, another driver—one of his friends—could drive it home. For me, it is not necessarily a credible proposition to introduce primary legislation for such a scenario. I suggest that education and better planning by people going on a night out is the best way to deal with that scenario. Otherwise, it might end up with somebody driving the car who does not have experience of that car, and if his friends are intoxicated he might not get responsible instructions on how to operate the car. As I see it, that would impose risks rather than being a benefit.

Ironically, if the future of the driving world is as predicted by the Government and many experts, we will have autonomous vehicles taking over rather than driver-led vehicles. In the bright, new, shiny world of the future, we will have driverless cars and therefore, in that scenario I just mentioned—friends going on a night out—there would not be a designated driver, because there would be an autonomous vehicle that could pick people up and safely take them home.

I sat on the Bill Committee for the Automated and Electric Vehicles Bill, in which the Government are legislating for car-only insurance for autonomous vehicles,

because the risk model and functionality of those cars, as opposed to driver-led cars, mean that the insurance industry is saying that they need to be insured on a car basis, rather than on a driver basis. That is going through the legislative process at the moment and it may be that driver-led insurance gets phased out in the future.

The reality is that insurance is a risk-based market, so for the insurance market to function properly the insurance companies need to be able to assess the risk and quantify that risk to be able to set premiums. If they get it wrong, there are two scenarios. If they get it wrong and charge too much, they make excessive profits and those paying for insurance pay even higher premiums. If they get the risk model wrong, frankly they will go bankrupt, and if more companies went bankrupt there would be a shrinking market, which could lead to the worst cartel or monopoly situation. That would invariably drive up insurance premiums in the long run.

I will conclude by saying that we should never say never in terms of the changes that might happen, and I will be pleased to hear the Government's response to the debate. At the moment, however, I am tempted to agree with the initial Government response to the petition—namely, that the change might not be the silver bullet we hope for and might not give the greater flexibility or the reduced premiums that we are looking for. I think that, on balance, the initial Government response is probably correct, but I would certainly like to hear what the Minister has to say about some of the other matters that have been raised today.

6.44 pm

Matt Rodda (Reading East) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies.

I congratulate the Petitions Committee on bringing this matter forward for debate and the hon. Members who have spoken tonight, particularly my hon. Friends the Members for Clwyd South (Susan Elan Jones) and for Darlington (Jenny Chapman), and the hon. Member for Kilmarnock and Loudoun (Alan Brown). I found it particularly moving when my hon. Friend the Member for Darlington mentioned what sadly happened to her constituents, and my heart goes out to them.

Although the petition focuses on one area of reform in the insurance industry, it gives us the opportunity to discuss many other important issues in respect of the high price of car insurance, especially for young people. It is worth pointing out that, while wages have stagnated, the cost of living has increased and premiums for young people have continued to soar. We have heard tonight that analysis by the Association of British Insurers shows that 10% of the average salary of drivers aged between 18 and 21 is now being used to pay their motor insurance bills, which come to an average of £973 for comprehensive cover. That is obviously quite a sum, equating to five times the average premium for all drivers, and it is indeed a significant weight on young people.

The current UK insurance enforcement mechanisms are based on checking that each vehicle is covered by insurance, and insurance is priced according to the risk of a claim, as perceived by the insurance company. Factors that affect this risk include the age and gender of the driver, the type of vehicle and where the vehicle is

usually kept or used. The petition seeks to limit the impact of the first of those factors, and it would significantly benefit younger and older drivers.

Of course, there are examples of where the car and not the person is insured. Hire car firms work on that basis, as do many business fleets. Therefore, the argument could be made that the change being proposed would just be an extension of something that is already in existence under English law. However, it is worth noting that both hire car firms and business fleets are frequently restricted to drivers over a certain age, and there is the possibility that if we moved to a car-based scheme to give cheaper insurance to young people, they could be denied insurance completely due to the same sort of age filter being applied. Where insurers could not enforce an age ban, they would certainly continue to set premium rates, such that total income matches total claims. That could result in the people who make the fewest claims paying more for their insurance than the people who make the most claims.

As my hon. Friend the Member for Clwyd South mentioned in her speech, the current system allows insurers to offer a customer a tailored premium to meet their individual needs. If the car rather than the individual was insured, insurers would not have the information to assess the risk of the likely driver and could not underwrite that risk based on the driver's profile. Also, vehicle technology is changing at a rapid pace, particular models are changing and the features of vehicles vary greatly. That makes the risk profile and relevance of a driver's experience even more significant.

A change to a car-based model of insurance would mean a redesign of all the systems that car insurers currently use to assess risk and calculate quotes. It is fair to say that that could be a complex, lengthy and costly exercise. My worry would be that any costs incurred by the insurer would be passed on to the customer.

The reality is that there is no one solution to the issue of high premiums for young drivers, however much one might be sympathetic to the problems they face. The insurance industry will always come back to the point that statistically young drivers are, sadly, more likely to be involved in motor accidents than drivers over the age of 25. That issue needs to be tackled from a road safety perspective, which is why many of us feel that there needs to be a Green Paper from the Government on the issue of young drivers and safety.

Indeed, in March 2013 the Department for Transport released a press release that stated:

"Government to overhaul young driver rules in bid to improve safety and cut insurance costs."

It also said:

"Green paper on improving the safety and reducing risks to young drivers launched."

It is now 2018—five years later—and we are still waiting to see that Green Paper. Despite calls from road safety campaigners and the insurance industry, the Government no longer appear to be addressing the issue. As far as I am aware, there is no sign of a Green Paper on young drivers at the moment, although I would be very grateful if the Minister could update us. If the Government are serious about doing something to address the core issues affecting the cost of car insurance for young people, they would bring forward this work. I ask the Minister when he is thinking of doing that. If he is not considering doing so, why not?

A Green Paper could look at a number of areas. Telematics, or in-car black boxes, have been hugely successful in bringing down the cost of premiums. They enable insurers to assess real-time data on an individual driver's behaviour and to charge more accurate risk-based premiums as a result—in some cases, new drivers can see their premiums fall by one fifth or more. Currently, black boxes are subject to VAT, which pushes up the cost for insurers and drivers. Given that the evidence shows that the technology can help to reduce the number of road accidents, surely the question is whether it would be appropriate for the VAT to be removed.

The Green Paper could also address graduated licensing, which the Association of British Insurers believes would have a positive impact. As we have heard, that involves considering how and when individuals can drive after passing their test and it is in operation in some overseas jurisdictions, including Canada. There could be restrictions on the time of day a young driver could drive or on the number of passengers they could have. In countries where graduated licensing has been implemented, it has been proven to lower death and accident rates among young drivers. That is a significant point, as I hope all Members here tonight will concur.

However, such a scheme raises a number of concerns. For example, would it lead to unreasonable curfews on young drivers? What if it led to a young driver being forbidden to travel at night when they could be required to start work early in the morning? The wrong sort of graduated scheme could restrict opportunities and be unfair as a result. I have given only a couple of examples because I am conscious of time, but a Green Paper could explore many other areas that could improve safety for young drivers.

I also want to raise road safety targets. Other parts of the world, and many international bodies of which we are part, back such targets and feel that they should be supported widely. The last Labour Government brought in road safety targets before, sadly, they were abolished by the coalition Government. Road safety targets play an important role in focusing minds and contribute indirectly, as a result, to a fall in the number of young people killed or seriously injured and recorded as road casualty statistics. I am afraid that we are seeing a worrying rise in the number of people who are seriously injured or killed on the roads, with Government figures showing a 4% increase on the previous year in the numbers killed in 2016—the highest level since 2011—and an 8.5% increase in the numbers killed or seriously injured. I wonder, therefore, whether the Minister will consider reintroducing those targets.

This has been a constructive and important debate, and important and thoughtful points have been made by Members from across the House. I do not believe that the proposal in the petition would be the best way to tackle high insurance premiums for young people, for the reasons I have covered. There is no silver bullet, I am afraid. It is time we had a Green Paper on young drivers, so that the Government could have a detailed, rounded, comprehensive look at the matter. It is also time to bring back road safety targets and allow ourselves a longer-term vision of a much safer and, as a result, much better road network, with the numbers killed or injured reduced. Other countries have piloted a zero vision and there is no reason why we should not have such a vision. Road safety targets would be a vital component in achieving that.

6.53 pm

The Parliamentary Under-Secretary of State for Transport (Jesse Norman): It is a delight to serve under your chairmanship, Mr Davies. I would say I was speechless at the joy, except that I have to make a speech. I thank the hon. Member for Clwyd South (Susan Elan Jones) for opening the debate as she did on the important subject of insuring cars rather than the individuals who drive them. I also thank all hon. Members for their contributions, and I welcome the hon. Member for Reading East (Matt Rodda) to his position on the shadow Front Bench. It will be a delight to address some of his points.

I hope I can assure hon. Members that the Government take the cost of motor insurance seriously and are committed to ensuring that it is reasonable for all motorists. To do that, we have sought to identify the root causes of high insurance premiums and to address them directly, but we have no plans to change the current motor insurance system, as stated in our response to the petition, and there appears to be consensus across all the parties whose Members contributed to the debate that that is the correct position.

I will first outline the system and some of the issues and then come on to all the important questions raised by colleagues from across the House. The UK was one of the first countries in the world to recognise the benefit of compulsory motor insurance, back in 1930. Our long-standing approach has been that it is an individual's use of a vehicle that has to be insured. The current system of insuring individual drivers, rather than vehicles, does not, as has been noted, prevent named drivers from being added to an insurance policy for shorter or longer periods, which can be a cost-effective way for friends or relatives who share a car to be included on a single policy. For a typical family of four sharing a car, the saving with a named-driver policy rather than each family member having their own policy has been estimated to be more than £1,000. There are also new insurance products coming on to the market that facilitate short-term cover, including insurance by the hour and car-sharing arrangements, without the need to change insurance law. Such products make it easy to arrange cover for someone else using your car. One new car insurance app quotes an average of £10.90 for an hour's coverage, which can be set up at very short notice, and I am sure we can expect further developments of such pay-as-you-drive solutions in the coming years.

It is important to note, as colleagues have, that it is not at all clear that changing the system would reduce the cost of insurance. In fact, there is every reason to think it could raise it. The complexity involved in changing the system would have significant cost implications, yet would not necessarily produce tangible benefits for the consumer. Some countries opt for a car-based rather than a driver-based system because they have no-fault legal regimes, under which each insurer compensates their own policyholder. So it is a question not just of how people purchase insurance but of the wider civil law principle of liability, which is different in the UK from those other countries. Changing our motor insurance system would almost certainly, therefore, involve complex legal changes and require detailed consultation. A change in the underlying legislation would mean that all insurers would need to redesign the systems they used to offer quotes, which, as the hon. Member for Reading East hinted,

would be a complex and lengthy exercise and could have significant cost implications for both the industry and, in due course, consumers. Given the alternative solutions available, such as adding a named driver or adding "drive other car" options to motor insurance policies, such significant reforms would be disproportionate.

The price of insurance currently depends on a range of factors, including many that are driver-specific: driving history, including previous claims and unspent drink-driving convictions; the use made of the vehicle, for example, whether for commuting or business; and years of driving experience. If insurers were required to cover the vehicle and were not able to take such factors into account in their pricing, the cost of insurance would likely rise for those with a good driving record and a history of safe driving and they would end up bearing, on a net basis, the additional costs of drivers who were not as careful or safe. The evidence for that is that insurers already tend to charge much higher premiums for any-driver insurance policies, under which less good drivers can join a named driver. Named-driver policies allow friends or relatives who share a car to be included on a single policy and provide the insurance provider with the necessary information to assess the potential risk of each individual.

Turning, as one or two colleagues have already done, to the scenario used in the petition, I wish to note that it is based on a drink-driving situation. Three friends need to get home from a night out, two of whom, including the driver, are under the influence of alcohol and are unable to drive. The petition suggests that a system that insured the vehicle would enable the third friend to drive the group home. However, as has been mentioned, the risk could be significantly greater than is suggested. As has been noted, the owner's friend may never have driven the vehicle and may have much less overall driving experience or a significantly worse claims history. In an era where vehicle technology is changing rapidly, the variety between newer and older cars is only getting greater, so the driver's individual experience of a particular make and model of car will have increased significance.

We have to think about the cost of covering vehicles, not people, as well as the incentive that creates. If that group knows that one of its members—they may be the least experienced driver—will be sober, that could create an incentive that removes the restraint on people's drinking. There may therefore be collateral unexpected consequences, even within the scenario that was set out. That by no means means that the Government are not determined to seek to reduce the cost of insurance, and it is important to make that clear. We have no plans to change the current system, but that does not mean we are not tackling other key issues known to drive up the cost of premiums, several of which have been discussed today.

One issue that has not been discussed is that of the measures we are taking to tackle the high rate of fraudulent, minor and exaggerated whiplash claims. The scale of the problem is highlighted by the fact that 85% of personal injury claims made in 2016-17 relating to road traffic accidents were labelled as whiplash or soft tissue injuries to the neck and back. I am afraid these data are four or five years old, but that figure compares with 30% in France and Denmark, 31% in Spain, 35% in the Netherlands and 68% in Italy, which is a bit more like us. A large number of claims management companies

actively encourage claims after even minor crashes, thereby potentially exacerbating the problem. The magnitude of costs that insurers inherit from whiplash claims are often passed on to consumers through higher insurance premiums, raising the cost overall.

In February 2017, the Government announced a robust package of reforms to crack down on minor, fraudulent and exaggerated whiplash claims. The measures will be introduced in a civil liability Bill in due course. Subject to parliamentary time and consideration, the Government aim to implement the whiplash measures as a package in April 2019. It is estimated that the reforms will bring down the cost of motor insurance by around £35 a policy. Leading insurers, such as Aviva, have publicly committed to passing on savings through lower premiums. Motor insurance operates under something of a cloud, as we recognise, and has often been criticised on competition grounds, as colleagues have noted. In many ways, however, it is an intensely competitive industry, and insurers will have to be under pressure to pass on savings or risk being priced out of the market. We as the Government will monitor the industry's reaction to the reforms and will consider further action if required.

I want to pick up on some of the points that Members have raised, which include some important issues that are collateral to the petition, but are important for us to touch on. The hon. Member for Clwyd South mentioned that she had three key tests for legislation in this area. The first was the effect on costs, the second was the effect on the innocent party and the third was whether it would help or hinder road safety. I hope she will recognise that one of the unintended consequences might be to push up the cost of personal injury claims. The UK is famed for its relatively high level of personal injury claims, which is one reason why it yields whiplash claims. Those claims are one of the things funded by insurance premiums. The downside is higher costs, and we have identified that problem, but the upside is that personal injury claims tend to get paid out at a higher level in this country. We are keen to ensure that the link between driver insurance and driver behaviour is maintained precisely to maintain personal accountability.

The hon. Lady, like the hon. Members for Darlington (Jenny Chapman), for Kilmarnock and Loudoun (Alan Brown) and for Reading East, was absolutely right to note the high cost of young people's insurance claims and the higher risk that young people face in their motoring. In answer to the question raised by the hon. Member for Reading East, I cannot comment on what the coalition Government did or did not promise about a Green Paper, but I can tell him that these issues are of enormous interest and importance to the Government. We have commissioned a lot of work under our Driver 2020 programme, which is specifically designed to explore different forms of intervention that can bear on young people and improve their driving and therefore their insurability. That includes work on hazard perception, simulated training, education, parental engagement, data recorders, telematics and the rest. That is important.

To respond to the hon. Member for Darlington, we absolutely have not ruled out some form of graduated driver licence. We do not think it is the right policy at the moment, but we are looking at it. As she acknowledged, there are different forms of GDL, and it is important to be specific about the elements that might be brought in. It is not policy, but as she has said, and as the Prime

Minister has said, we are considering that for precisely this reason. It falls into a wider desire across Government and certainly on my part to reduce the risk to young drivers, particularly in rural areas.

In my county of Herefordshire, I went to an extraordinary demonstration organised by the local fire service called Dying 2 Drive. It is run in connection with the ELY Memorial Trust, which is a wonderful local charity dedicated to helping prevent road accidents for young people. It is the most petrifying experience. Young people in sixth forms are exposed to a road traffic accident with fatalities right there. The situation in front of them is then solved through an intervention by the fire service and the police. It is a very moving experience. It is very hard to see it and drive without great care and attention thereafter, and the evidence is that it is very effective. I would like to see it rolled out by all kinds of fire services. It underlines the wide range of interventions that can be used to try to help this problem of young people at risk on our roads.

I will pick up a couple of other points that have been made. Adverse consequences are a theme that everyone has rightly touched on. We all recognise that the cost of premiums is higher than we would like, particularly for certain groups in society. We are determined to adopt a series of reforms—I have talked about whiplash and the work being done on young people—to try to reduce the high premiums and their impact on particular groups, but we have to be aware of the law of unintended consequences and the danger that such reforms may inadvertently drive up costs and premiums. Costs may be reallocated to people in a way that undermines the incentives to drive well and drive safely. It would be a disaster if we had those counterintuitive and counteractive results.

I am grateful to all Members who have contributed and to the hon. Member for Clwyd South for introducing the debate.

Alan Brown: I thank the Minister for giving way just as he was finishing. In terms of the costs for young drivers, I mentioned the fact that the extra 12% insurance premium tax is a further hurdle for those drivers to overcome. Could the Government look at reforming that?

Jesse Norman: It is hard to respond to that question, because it is about a tax and is therefore handled by the Treasury, rather than my Department. Also, it is not a tax that falls specifically on young people, but on the industry as a whole. As with any tax, one should consider not only the tax but the things it is intended to pay for and might be paying for, whether that is reducing debt or funding public services. The point I would make to the hon. Gentleman is that over the past few years the Department has pioneered a continuous insurance enforcement system that has significantly reduced the number of uninsured drivers by some 40%. Again, we take the point about the concern, but we specifically want to address the cause of it, which is the number of uninsured drivers. That is the core point of the remark.

To wind up, I am grateful to colleagues across the House and the hon. Member for Clwyd South for introducing this debate. I am grateful to the Petitions Committee for putting it on our docket. We all recognise that the cost of car insurance is an important issue for

[Jesse Norman]

all motorists. That is why the Government are committed to the things we have discussed tonight: tackling fraudulent whiplash claims, working with the motor insurance market, keeping premiums as low as they can be and addressing the risks and concerns that relate to young people and those in rural areas. I hope on that basis that the House will be satisfied.

7.9 pm

Susan Elan Jones: Again, I want to put on the record my thanks and those of the Petition Committee to the creator of the petition and to its signatories. It is rare in this place to have an in-depth discussion on car insurance. In my seven and three-quarter years as a Member I cannot remember a time when we have looked at car insurance and, in the same breath, road safety, but today's debate has done that.

I want to pay a special tribute to my hon. Friend the Member for Darlington (Jenny Chapman) for her comments on the graduated licence. As she was speaking I thought back to my time as a sixth former when some friends who had passed their driving tests before me kindly offered to take me round the roads and country lanes of north Wales. It was an immensely enjoyable

experience and absolutely useless in terms of driving practice to pass a test. I failed my driving test on three occasions until I went to university and passed on the streets of Bristol. I wholeheartedly agree with my hon. Friend that there is a very strong case for a graduated licence. I also agree about the alcohol restrictions of which she spoke. I hope that if that idea ever sees the light of day we could see car insurance premiums for young people reduced, and also greater safety on our roads, which cannot come a day too soon.

My hon. Friend the Member for Reading East (Matt Rodda) mentioned a Green Paper, which I would welcome. The Minister has not exactly ruled it out and I hope that that might be considered in future. In today's debate we have been able to look at car insurance and the critical issue of road safety in the round. I wholeheartedly thank again the creator of the petition and all the signatories who made that possible for us.

Question put and agreed to.

Resolved,

That this House has considered e-petition 207616 relating to changes to car insurance.

7.13 pm

Sitting adjourned.

Written Statements

Monday 5 March 2018

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Agriculture and Fisheries Council

The Minister for Agriculture, Fisheries and Food (George Eustice): Agriculture and Fisheries Council took place in Brussels on 19 February. Counsellor Rory O'Donnell represented the UK.

The most substantive Council discussion was an exchange of views on “the future of food and farming”, a continuation of early discussion of the Common Agricultural Policy (CAP) post 2020. Member states agreed on the importance of direct payments in providing income stability to farmers. The UK signposted a future domestic agriculture policy based on rewarding farmers for public goods.

The Council moved on to a discussion of possible revisions to the EU bioeconomy strategy. Member states were in agreement that the agricultural sector would benefit from a greater role in the bioeconomy, particularly in exploring new methods of adding value in agricultural supply chains.

The European Commission provided Council with information on an EU protein plan. The UK welcomed the plan, and particularly planned actions to tackle deforestation.

Three further items were discussed under “any other business”:

the European Commission presented information to Council on the rural Africa task force

the Polish delegation presented a paper to Council on rural development in the CAP post 2020

the Agriculture Ministers of the Visegrad member states presented a joint declaration to the Council on “the future of food and farming”.

Until the UK leaves the European Union, the UK remains a full member of the EU and all the rights and obligations of EU membership remain in force. The outcome of our negotiations with the EU on the future partnership will determine what arrangements apply in relation to EU legislation in future.

[HCWS504]

HOME DEPARTMENT

Independent Monitor Annual Report 2016

The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins): The 2016 annual report from the Independent Monitor is being published today on www.gov.uk. A copy of the report will also be placed in the House Library.

[HCWS507]

Licensing Hours: Royal Wedding

The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins): The Government have consulted on a proposal to make a Licensing Hours Extension Order under section 172 of the Licensing Act 2003 to relax licensing hours nationally to celebrate the wedding of HRH Prince Henry and Ms Meghan Markle on 19 May 2018. Following this consultation, the Government have decided to extend licensing hours on the nights of Friday 18 and Saturday 19 May until 1 am the following mornings to mark this occasion of national celebration.

The order will apply to the sale of alcohol for consumption on the premises and the provision of late-night refreshment in premises already licensed to sell alcohol for consumption on the premises in England and Wales.

The Government response to the consultation and an accompanying impact assessment were published yesterday on the Home Office website, available at:

www.gov.uk/government/consultations/relaxation-of-licensing-hours-for-the-royal-wedding.

Copies will also be placed in the House Library.

[HCWS506]

Safeguarding Children and Protection

The Parliamentary Under-Secretary of State for the Home Department (Victoria Atkins): The Under-Secretary of State for Education, my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi) and I have today published the Government's response to the consultation exercise on reporting and acting on child abuse and neglect.

The consultation, which ran from 21 July 2016 to 13 October 2016, sought views on key issues relating to the child protection system and on the possible introduction of one of two new statutory measures, namely:

a mandatory reporting duty, which would require certain practitioners or organisations to report child abuse or neglect if they knew, or had reasonable cause to suspect, it was taking place; or

a duty to act, which would require certain practitioners or organisations to take appropriate action in relation to child abuse or neglect if they knew, or had reasonable cause to suspect, it was taking place.

All children have the right to be safe from harm. Keeping children safe is the responsibility of everyone who comes into contact with children and families, and we all have a role to play in protecting children and young people from child abuse and neglect.

The legal duties the Government consulted on would involve a particular focus on practitioners: across children's social care, the police, health, education, and other sectors. The vast majority of such practitioners are committed to doing all they can to safeguard and promote the welfare of children, through recognising children's needs early and taking action so that children receive the right support at the right time.

We are absolutely clear that practitioners should make an immediate referral to local authority children's social care if they believe that a child has suffered harm or is

likely to do so, as set out in statutory guidance already. We know, however, that despite the best efforts of practitioners working with children and families, some abuse and neglect continues to go undetected by statutory agencies. This can happen for a variety of reasons, including failures to report or share information properly, and failure to perceive abuse or understand the nature and level of the risk of harm faced by children.

In circumstances where professionals fail to identify or fail to report the signs of abuse and neglect, the consequences can be catastrophic. However, triennial analysis of serious case reviews demonstrates that in most cases the significant harm or death of children occurs despite their being known to children's social care. So the issues are complex and challenging and introducing a new statutory duty is not a simple, straightforward solution, as some argue.

We received 768 responses to the consultation exercise, from a wide range of interests including practitioners and others in the education, health, social care and local government sectors, children's charities, survivors' groups, the police and members of the public. We have considered all the responses and relevant issues carefully.

The majority of respondents (63%) were in favour of allowing the Government's existing programme of reforms time to be implemented before considering additional statutory measures. Only a quarter (25%) of respondents favoured introducing a duty to act, with less than half of that number (12%) favouring the introduction of a mandatory reporting duty.

Given the consultation outcome and after careful consideration, we have concluded that the case for the introduction of a mandatory reporting duty or a duty to act has not been made, and would not, against the landscape of our current arrangements, deliver better protection for children. Therefore, neither of these proposals will be taken forward at this time. We will implement the reforms set out in the Government's response and evaluate whether this is having the intended impact once these are embedded, in addition to continuing to assess any new or different evidence supporting the need for further changes.

We remain committed to examining all options to improve further the children's social care system and tackle abuse in all its forms. In addition to our already wide-ranging programme of reforms, we will therefore focus on taking steps to address the key issues raised by respondents to the consultation. This action includes:

- improving multi-agency working, in particular through strengthening information sharing for safeguarding purposes, including better local arrangements;

- publishing our revised "Working Together to Safeguard Children" statutory guidance and launching a further phase of the communications campaign, "Together, we can tackle child abuse" ahead of its publication;

- looking at the current legislative framework to assess whether it is able to deal appropriately with concerns about concealment of child abuse and neglect; and

- continuing our work to improve the training, accreditation and regulation of practitioners, so that they can better safeguard and promote the welfare of children.

To repeat, every child deserves to and must be protected from abuse and neglect. We are determined to do all that we can to strengthen our child protection system in ways which we expect will bring real benefits to children.

Copies of the Government's response have been placed in the House Library and are available on the Government's website: <https://www.gov.uk/government/consultations/reporting-and-acting-on-child-abuse-and-neglect>.

[HCWS508]

HOUSING, COMMUNITIES AND LOCAL GOVERNMENT

Planning Policy

The Secretary of State for Housing, Communities and Local Government (Sajid Javid): The Government have made it clear that we need to get our country building. At Budget 2017 we set out reforms to enable us to achieve 300,000 homes built each year by the middle of the next decade. The Housing White Paper, published in February last year, set out our plans. In September, we launched the planning for the right homes in the right places consultation, which introduced a standardised formula for calculating local housing need.

Today we are publishing our response and launching the next step; consultations on the revised national planning policy framework and the reform of developer contributions.

This planning reform package, which includes the revised draft national planning policy framework (NPPF) and reforms to developer contributions, are fundamental to delivering the homes we need and set out a comprehensive approach to ensure that we get the right homes built in the right places of the right quality.

The policy proposals only relate to England. The consultation will run from 5 March until 10 May 2018.

Copies of the consultation document will be placed in the House Library and are available on the Government's website here:

<https://www.gov.uk/government/collections/national-planning-policy-framework-and-developer-contribution-consultations>

An oral statement will be delivered to both Houses later today.

[HCWS505]

Ministerial Correction

Monday 5 March 2018

EDUCATION

Primary Schools: Academies

The following is an extract from Questions to the Secretary of State for Education on 29 January 2018.

Thangam Debbonaire (Bristol West) (Lab): All the focus on structures is taking us away from the real issue, which is that this weekend even Tory party donors and academy chain heads were talking about real-terms cuts to funding. That is what I am seeing in the schools in my constituency. Will the Government face up to the real crisis, which is the real-terms cut in school funding?

Damian Hinds: There is more money going into our schools in this country than ever before. We know that real-terms funding per pupil is increasing across the system, and with the national funding formula, each school will see at least a small cash increase. [*Official Report*, 29 January 2018, Vol. 635, c. 536.]

Letter of correction from Damian Hinds:

An error has been identified in the response I gave to the hon. Member for Bristol West (Thangam Debbonaire) in Education Questions on 29 January 2018.

The correct response should have been:

Damian Hinds: There is more money going into our schools in this country than ever before. We know that **overall real-terms funding per pupil is being maintained between 2017-18 and 2019-20**, and with the national funding formula, each school will see at least a small cash increase.

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**not later than
Monday 12 March 2018**

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